The COMMERCIAL and FINANCIAL CHRONICLE

ESTABLISHED 1839 Reg. U. S. Pat. Office

Volume 193 Number 6056 New York 7, N. Y., Thursday, May 18, 1961 Price 50 Cents a Copy

Editorial AS WE SEE IT

According to what appear to be reliable press reports, the powers that be are now laying plans to remove the present fixed minimum gold reserve requirement laid upon the Federal Reserve banks by law (for some years set at 25% of deposits and Federal Reserve notes outstanding). With the abolition of this requirement would go about the last vestige of the concepts upon which the Federal Reserve system was originally constructed. We say the last vestige since all, or virtually all of the other key provisions of the original law applying to the system have been either repealed or so drastically altered that they may almost be said no longer to exist. Even the 25% ratio bears a more apparent than real relation to the earlier provisions of law since for many years the Reserve System has been permitted to have no gold at all, but merely "gold certificates" issued by the Treasury which owns all the actual gold—"certificates" which can not be converted into gold except at the will of the Treasury, and then for practical purposes only within very limited areas.

There is, however, apparently little to be gained by talking about the older system based as it was upon the traditional concept of the gold standard. It has gone the way of so many other things with the advent of the New Deal and ideas and concepts so utterly irreconcilable with the older and time-honored and time-tried systems and practices. So far as can now be foreseen, there is little likelihood of a return either to the older system of banking or to many of the other conditions which are or would be essential to a successful operation of that older system. It would appear to be more realistic, therefore, to appraise this latest proposal for change in the law governing the reserve ratio of the Reserve System in the light of conditions as they now exist.

Long Misunderstood

Now first of all, it must be said in all frankness that much misunderstanding of the (Continued on page 16)

The Principles, Facts and Politics Underlying Overseas Tax Proposal

By Dr. John Fayerweather, *Managing Editor, The International Executive, New York City; Adjunct Associate Professor of International Business, New York University*

Case against taxing retained earnings of U. S. overseas subsidiaries flays shortsighted economics of seeking short-run capital outflow savings at the expense of larger long-run dollar inflow. Dr. Fayerweather estimates the direct tax contribution to the balance of payment deficit would be a minimal $170 million and that it would deter capital outflow by around 10% or $100 million. He denies investment abroad exports jobs and/or reduces exports; scents political maneuvering to appease protectionist labor into accepting domestic investment incentive plan; and warns tax move would fundamentally injure our economy.

President Kennedy's proposals to tax the retained earnings of overseas subsidiaries in developed countries comes as a rude shock to U. S. industry. Less than a year ago Congress with mixed but generally favorable Treasury Department response was moving toward some formula for a U. S. based "World Business Corporation" which could bring foreign earnings back to the U. S. without being subject to U. S. taxes. Now suddenly, private foreign investment instead of being encouraged as a beneficial instrument of national economic policy has become the Treasury's prime whipping boy.

John Fayerweather

Recognizing the serious implications of this extraordinary turnabout in government policy, *The International Executive* undertook a survey of U. S. companies operating overseas. Our objective was to determine the opinions of their executives about the proposal and most important, the facts as to its effects. Replies were received from 56 companies accounting for about 40% of overseas manufacturing investments and composing an effective sample in that they ranged from very large companies to quite small ones.

Analyzing the results along with other pertinent information leads to conclusions on (1) a question of principle (2) two areas of economic impact and (3) a not too tasteful story of political-administrative opportunism.

First, the question of principle. A significant majority (87%) of the executives surveyed felt that "the government does not have a basic legal right to tax retained earnings outside its own territory." No one would question of course that the government has a legal right to do anything for which constitutionally valid laws are passed. Technically the government presumably can tax overseas retained earnings if Congress wishes.

Sees Principles Violated

The opinion expressed by our executive group concerns rather the basic principles of law and taxation which have become established in U. S. and international practice. The President's proposal clearly violates two of these principles: corporate integrity and territorial sovereignty. We recognize a corporation as an entity for legal, tax and other purposes. Its stockholders are not responsible for its financial actions nor are they regarded to have benefited or suffered as a result of its financial condition except as they receive dividends, lose through the drop in value of its stock, or are otherwise affected externally. Likewise, we recognize the right of every nation to control, tax and otherwise govern the actions of persons (including corporate persons) within its borders. Only under compelling reasons is justification found for another nation to invade this sovereignty. In recent years this principle has been most rigorously tested in (Continued on page 28)

SECURITIES NOW IN REGISTRATION—Underwriters, dealers and investors in corporate securities are afforded a complete picture of issues now registered with the SEC and potential undertakings in our "Securities in Registration" Section, starting on page 32.

The Security I Like Best . . .

A continuous forum in which, each week, a different group of experts in the investment and advisory field from all sections of the country participate and give their reasons for favoring a particular security.

LAURENCE LYONS

Allen & Co., New York City

Colonial Stores

The Company represents a large chain of supermarkets located mainly in the Southern part of the country. In 1956 and 1957 the company earned over $2.00 per share but in recent years earnings have declined as a result of high operating expenses. As a result of new management that was brought into the picture to revitalize the company, there is definitely a growth potential, even though it may be a slow process.

Laurence Lyons

As of Dec. 31, 1960, there were in operation 447 outlets in 203 communities in 10 states. The stores are located in Georgia, Virginia, North and South Carolina, Indiana, Kentucky, Alabama, Florida and Tennessee. The company leases the majority of its stores as well as its warehouses but owns bakeries and a meat distributing plant.

On Aug. 3, 1960, Mr. Carl J. Reith was brought in as President of Colonial Stores from Kroger and several regional Vice-Presidents resigned. Included in the present managerial plans is that the general managers of the seven operating divisions assume additional duties and responsibilities, thus obviating the need for the Vice-Presidents, and that the Manager of a store now be responsible for his individual operation. In the plans for 1961, is the opening of 28 new supermarkets and the remodeling of 14 present units. In the latter part of 1960, major operating changes were introduced with the objective of improving merchandising, reducing inventories and improving profits. Wherever possible, costs have been cut to improve the very low operating profit of 0.83% in 1960. In the year 1960, 80¢ was earned on sales of $445,000,000 as against $1.13 for the comparable period of 1959 on sales of $450,000,000. Earnings ran as high as $1.74 in 1958, $2.31 in 1957 and $2.09 in 1956. The new management has expressed in its annual statement that it is facing up confidentially and realistically to building up the earning power of the company.

A recent trip to the South by the writer indicates that the company is slowly regaining its former status and that the personnel are wholeheartedly behind the new management in its aim to make the company once again one of the foremost factors in the grocery business.

The company is in a comfortable financial position. As of Dec. 31, 1960, the ratio of current assets to current liabilities was approximately 3 to 1. Cash was equivalent to $14,371,499 and earned surplus $26,172,273. Long-term debt was $18,500,000, of which $14,300,000 was on promissory notes payable —$650,000 annually in 1962 to 1972; and $7,150,000 in 1973; as well as $4,200,000 in 4.90% sinking fund debentures due May 1, 1977. As of Dec. 31, 1960 book value was $13.60 per share. As of the same date there were outstanding 43,-200 shares of $2 cumulative preferred ($50 par), 25,754 shares of $2.50 cumulative preferred ($50 par) and 2,766,642 shares of common ($1 par). Dividends on the common stock are at the rate of 60¢ per share annually, payable quarterly. The stock is traded in the Over-the-Counter Market and is currently quoted at about 20.

HARRY D. MILLER

Partner, Nugent & Igoe
East Orange, N. J.
Members N. Y. Stock Exchange

Robinson Technical Products

The market today is placing all emphasis on growth. We see many stocks selling 50 to 100 times earnings because they have this characteristic and many new issues, with little in their record to justify it, double and triple in price merely because they have a growth potential.

Harry D. Miller

In my opinion, one of the real growth stocks which has been almost completely neglected, is Robinson Technical Products; yet the company has strong management and finances and is well diversified.

Let us look at the more popular areas of growth today:

Space and Rocketry: There are several hundred suppliers of parts on each space vehicle, yet each must test his parts in a space simulation chamber. High Vacuum Division of Robinson is a principal supplier of these. Also, the Robinson mounts are specified on many missiles including the Polaris.

Instrumentation: Robinson mounts are used for all delicate instruments in many aircrafts, rockets and missiles as well as on shipboard and in the atomic submarine. Also, Kensico Division is a major supplier of capillary tubing used by present miniaturized instruments.

Computers and Advanced Office Equipment: Kupfrian Division which has doubled its earnings practically every year does approximately 75% of its volume with International Business Machines in supplying components for its most advanced equipment.

Foreign Investment with Emphasis on Europe's Improving Status: Robinson has license agreements in continental Europe and the United Kingdom which are producing substantial profits.

A brief description of each division is in order at this point:

(1) Vibrashock Division manufactures and sells various types of vibration and shock control mounts which it has designed and developed for use primarily in the electronic, aviation, transportation and industrial fields. Robinson has recently developed and sold to two of the principal military aircraft manufacturers what is believed to be the first satisfactory jet engine mounts. This division accounts for about 32% of Robinson's gross sales.

(2) Kensico Tube Division produces seamless copper tubing in sizes from over two inches down to small capillary and restrictor sizes. While a large portion goes into construction fields, the greater growth and profit presently seems to be in the small sizes for instrumentation and in the electronic and missile field.

(3) High Vacuum Equipment is engaged in the design, construction and sale of high vacuum high-temperature furnaces and associated equipment including space simulation chambers. This equipment is also used in the processing of electronic tube parts, refractory metals, transistors and various food and drug products.

(4) Kupfrian Division has been privately owned until now so is probably the least known but the most exciting division of Robinson. It has developed a close working arrangement with International Business Machines and approximately 75% of its volume is supplying parts for various divisions of that corporation which make their most advanced computers, banking gear, communication system, etc. It also produces transistorized power supplies, mechanical remote controls and flexible shafts. The growth of this company has been truly remarkable! Earnings of Kupfrian alone (which was just exchanged for Robinson—share for share—) went from 17¢ per share in 1959 to 93¢ for 1960 and to $1.23 for the seven months ended Feb. 28, 1961. It is difficult to match this performance anywhere.

The management of Robinson has stated that earnings for fiscal 1962 could double those of 1959 or reach about $2 per share. It is very easy to visualize earnings by 1965 in the $4 to $5 range with the stock selling many times its present price. Meanwhile, the buyer of the stock could feel that he owns something far more substantial than many of today's "wonder" stocks. The balance sheet shows working capital of over $2\frac{1}{2}$ to 1. The record of all divisions has shown consistent earnings and sales growth. Management is proven with many men of broad background on the Board of Directors. I can unhesitatingly recommend Robinson for capital gain. The stock is listed on the American Stock Exchange and is currently quoted at a price of $29\frac{3}{4}$.

(This is under no circumstances to be construed as an offer to sell, or as a solicitation of an offer to buy, any security referred to herein.)

This Week's Forum Participants and Their Selections

Colonial Stores—Laurence Lyons, of Allen & Co., New York City. (Page 2)

Robinson Technical Products — Harry D. Miller, Partner, Nugent & Igoe, East Orange, N. J. (Page 2)

S. W. Supinski Opens

ALLENHURST, N. J.—Stanley W. Supinski is conducting a securities business from offices at 107 Main Street.

C. B. Carothers Opens

DALLAS, Texas — Charles B. Carothers is engaging in a securities business from offices at 4447 Westway. He was formerly President of Carothers & Co., Inc.

In Securities Business

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo. — John L. McGovern is engaging in a securities business from offices at 5060 West Moncrieff Place under the firm name of Provident Investors.

Alan Roth Opens

Alan Roth is conducting a securities business from offices at 55 East End Avenue, New York City. He was formerly with Lehman Brothers.

Continuing to Deserve The Investor's Confidence

By Armand G. Erpf, Partner, Carl M. Loeb, Rhoades & Co., New York City*

Paraphrasing Churchill, Mr. Erpf notes "never have so many Americans spent so much money so quickly on so many stocks they know so little about." His paper evaluates economic realities affecting portfolio selection, and reminds securities salesmen on what they should do to continue to deserve investors' confidence. The issue of protecting principal "versus" speculative growth stocks is explored, as is the difference between speculating and gambling, and skepticism expressed about putting all of one's eggs in one basket. Mr. Erpf explains why stock analysis has transcended beyond the accountant's approach to rating intangible potentials. He also explains the hazards in stressing growth and sums up the speculative problem as threefold at the present time.

Over the years we have generally taken a constructive position on the economy and events have borne this out. There have been periodic setbacks and with leads or lags, the stock market has reflected the business and political undulations. At this time, we continue to have the confidence in the economy which we have expressed for the past half-year; and yet, as recently as March 28, I saw fit to voice misgivings concerning the stock market, or at least concerning certain areas of the stock market. I pointed out then:

Armand Erpf

"We continue to have great confidence in the country and the potential of economic recovery. This the stock market is reflecting and discounting and in some cases overdiscounting. Investors imbued with confidence have tended to grow careless in their commitments, which are made with less and less analytical rigor. In recent years the country has spawned hundreds and even thousands of new and remarkable ventures, many of which will prosper and many of which will fall by the wayside. We should like to suggest a reexamination of all accounts and disposal of securities which represent numbers rather than values, and we should like to point out when the goose hangs high is the time for cold judgment, cool appraisal, and a redistribution of resources for soundness as well as growth. Assume, for example, you have sold everything. Which holdings would you be inclined to repurchase at present prices? We think a long position in equities is essential but the degree of unjustified exposure should be reduced and proportions as to the industry representation and diversification should be reinstated if lacking. Each portfolio should be solidified to withstand vicissitudes and reverses as well as benefit from the many-faceted aspects of rising technology."

The interesting point is that the occasions are rare when there is reason to be optimistic concerning the economy but suspicious about stock prices, and the reason for this is simple. To paraphrase Churchill, never have so many Americans spent so much money so quickly on so many stocks that they know so little about. This is what concerns us. We should know whether commitments constitute investments, speculations, or just plain gambles, and to what degree the proportions fit the targets, resources, and position of our clients.

Throughout last year there was a general exodus from the market. By this I mean that the pressure of sellers on reluctant buyers pushed prices down. Smart investors, appraising the situation, were disturbed by the faltering nature of business and were puzzled as to the election and, regardless of its outcome, the end of the Eisenhower era. With the election over and the complexion of appointments reassuring, confidence as to business and the stock market was quickly restored. Since holders of securities at the ebb of the market were strong holders, or stubborn, and since we had close at hand the example of 1958 when the market evidenced agility in anticipating business recovery, those waiting on the sidelines and new buyers could not reattain or attain satisfactory positions in the stock market without spirited bidding, which brought the averages to new, all-time highs. In the last few weeks, at these highs, there has been what might be characterized as a free market with plentiful sellers and plentiful buyers.

We might describe the situation as euphoria searching for earnings. The balance of forces lies between those who believe that stock prices, by and large, are overgenerous, more than discounting a recovery in earnings, and those who believe that the earnings recovery will be substantial and are taking positions looking to 1962, 1963, and in some cases 1965, earning power. Playing on the susceptibility of both, the gamblers, more than heretofore, have jumped in on a straight numbers basis, betting that the forward movement of the market will feed on itself. This gambling ingredient in the market exercises its powerful magnetic spell. It is causing sloppiness in analysis, carelessness in commitments, and is bringing about an increasing vulnerability in many accounts which have moved from investments to speculation, from specu-

Continued on page 26

CONTENTS

*Article not available this week.

Published Twice Weekly
The COMMERCIAL and FINANCIAL CHRONICLE
Reg. U. S. Patent Office
WILLIAM B. DANA COMPANY, Publishers
25 Park Place, New York 7, N. Y.
REctor 2-9570 to 9576
CLAUDE D. SEIBERT, President
WILLIAM DANA SEIBERT, Treasurer
GEORGE J. MORRISSEY, Editor
Thursday, May 18, 1961

Every Thursday (general news and advertising issue) and every Monday (complete statistical issue — market quotation records, corporation news, bank clearings, state and city news, etc.)

Other Office: 135 South La Salle St., Chicago 3, Ill. (Telephone STate 2-0613).

Reentered as second-class matter February 25, 1942, at the post office at New York, N. Y., under the Act of March 8, 1879.

Subscription Rates

Subscriptions in United States, U. S. Possessions, Territories and Members of Pan-American Union, $65.00 per year; in Dominion of Canada, $68.00 per year; Other Countries, $72.00 per year.

Other Publications

Bank and Quotation Record — Monthly, $45.00 per year. (Foreign Postage extra).

Note—On account of the fluctuations in the rate of exchange, remittances for foreign subscriptions and advertisements must be made in New York funds.

Getting Tomorrow's Transit Today: San Francisco Story

By Alan K. Browne,* *Vice-President, Bank of America N.T. & S.A., San Francisco, Calif.*

Municipal financing expert explains how San Francisco metropolitan area plans to meet its rapid transit needs. He cites this proposal to point out the work entailed and the fact that the finest engineering and legal transportation planning is incumbent upon the additional essentials of "public acceptance and equitable financing" if it is to materialize. The case study recounts the early history of mass transit in the area and the development of a rapid transit commission, and provides a step-by-step recapitulation of financing problems and solutions.

I
Opening Remarks

I do not profess to be a transportation "expert" in telling how the Metropolitan San Francisco Bay Area proposes to meet its mass rapid transit needs. I leave this to the qualified professionals in this broad field. My interest in metropolitan transportation is that of a business man with a deep and abiding concern for the future of our metropolitan areas.

Alan K. Browne

Long ago I reached the conclusion that engineers could resolve almost any technical problem concerning transportation and that the legal profession could devise the legal means to implement the results of the engineers' planning. However, to bring to fruition the legal and engineering planning requires two additional very important ingredients—public acceptance and equitable financing. For no matter how great the need, how sound the legal approach to resolving the problem and how thrilling the engineering design—nothing happens without public support and the necessary funds to carry out the planning.

It is through my familiarity with municipal finance that I have been able to make some contribution toward resolving the transportation crisis that is facing California's metropolitan areas today.

Transportation is the key to the very existence of the American city. Without efficient mass movement of people and goods, our metropolitan centers become congested. Traffic control and safety become more costly in terms of human lives as well as dollars. Downtown business areas stagnate during commuting hours. Retail districts lose patronage as shoppers find it more convenient to shop in their neighborhoods. Warehouse and factory areas are vacated as traffic volume and direction prevent economical freight handling.

Expedients are offered and tried, but there is no simple solution to the complex problem. There are those who say that the central core—city is a thing of the past—decentralization is the only answer as population is presumed to be shifting to the suburbs. Private transportation using the public streets and highways both to drive on as well as to park on, without limitations of time tables, speed of transportation, except as prescribed by law, origin and destination, and choice of companions is the only answer to movement of people and goods.

Despite the discouraging prospect some progress has been made. On the other hand, our slow democratic process indicates many difficult decisions are still to be made. Can we afford to make them in the affirmative? In my opinion, we can, for if we don't, the prospect of metropolitan decay triggered by failure of the transportation system is appalling. The continued removal of tax-paying property from local tax rolls to provide expressways, freeways and highways, as well as public parking facilities for the automobile is a never-ending march to destruction of our core—cities. The rising costs of street maintenance and traffic control add to the tax burden. In human values, air pollution and traffic accidents are an individual as well as a community concern and responsibility.

Therefore, despite the current progress in meeting our transportation crisis, we cannot remain indifferent to the challenge of leadership as we approach the critical decisions that must be made in the future. As business men, we should evaluate the cost of failing to meet our metropolitan transportation needs. We should actively support methods and plans to deal with the problems and join with others to bring about favorable community and area approval.

II
Early Mass Transit in the San Francisco Bay Area

California has had several cyclical population surges starting with the Gold Rush in 1849. However, none have compared with the post World War II population expansion, with all of its attendant problems. It has taxed and will continue to tax the resources of the state and its political subdivisions to provide necessary public improvements and to meet the health and safety requirements of its population.

One can be critical of the efforts of our communities and community leaders for their failure in the past to anticipate population growth and technological change. But are we being fair? Are we realistic? Can we correct the errors of the past by pointing our finger at some human or legislative failure? It may be a pleasant pastime for some, but it does not resolve today's needs nor provide for tomorrow's destiny.

Community and regional planning are relatively new experiences in California post-dating the location, establishment and development of most of California's cities and towns coming into existence as military posts, cross road towns, shopping and trade centers and as seats of local government. Early transportation at best was provided by rail, water and horse-drawn conveyance. Communities just grew up with local citizens taking their transportation as they found it and as they needed it, exerting very little direction on the future needs of their communities.

The United States Bureau of the Census has designated some 38 metropolitan areas in the United States defined to identify large concentrations of population in and around cities of 650,000 population or more. California has three such designated metropolitan areas. The sixth largest nationally on the basis of total population is San Francisco-Oakland, and our "San Francisco Story" will discuss how this area is "Getting Tomorrow's Transit Today." Let us first take a look at how the San Francisco Bay Area met its early transportation needs and how eventually history and the technological advances of our time brought about an almost complete collapse of the suburban and interurban rail commuter system.

When speaking of the San Francisco Metropolitan Area, I am referring to nine counties comprising the city and county of San Francisco; the counties of Marin, Sonoma, Napa, Solano, Contra Costa, Alameda, Santa Clara and San Mateo.

The nine counties contain an area of 6,586 square miles, exceeding the individual area of the states of Connecticut, Delaware and Rhode Island. The 1960 population totaled 3,638,939.

The dominant characteristic of the San Francisco Metropolitan Area is San Francisco Bay, one of the great harbors of the world. It has measured the growth of the shore-line communities; it has influenced trade and industry; it has affected the weather of the region and it has posed many of the regional problems that have been dealt with in the past and that continue to attract the attention of its burgeoning population. To a somewhat lesser extent, the tributary rivers of San Francisco Bay and the earthquake faults have had their individual influence on the Metropolitan Area.

Movement of the people around the Bay and across the Bay has been a problem for years.

From the 1860s to 1900 many railroads were organized to serve different parts of the Metropolitan Bay Area. Their names in most instances have long disappeared from the records of existing transportation systems, such as The San Francisco and San Jose Railroad Co., The San Francisco and Oakland Ferry Railroad, The San Francisco and Alameda Railroad, The Napa Valley Railroad, The California Pacific, Western Pacific, Central Pacific, South Pacific Coast Railroad, Southern Pacific and North Pacific Coast Railroad. The successors to these and many others served in their own way as transportation around San Francisco Bay. Connecting passenger ferry boats, car ferries and river steamers brought passengers across the Bay and around the reaches of the Bay.

During this period horsecars made their appearance as did steam dummies to give local transportation to the more populous areas. Later cable cars were used to traverse the steep hills of the region. In time electric street cars and trains began operation, gradually replacing all but a few of the cable cars in San Francisco.

Early efforts to link the Bay Area by an interurban electric line were without success. A good deal of the area was served but there were gaps between some of the towns of the region. Trans-Bay travel improved with the use of faster ferry boats, long piers and a network of electric rail lines serving the East Bay region. The North Bay region was also benefited by the conversion to electric trains while the San Mateo County area was served by Southern Pacific steam trains.

The increase in automobile traffic in the 1920s gave rise to many auto ferries to transverse the Bay. A movement was under way for bridges to link parts of the Bay. Ambitious plans for bridges across the Golden Gate and from San Francisco to Oakland reached the planning stage. However, the most that was accomplished were bridges across arms of the Bay, namely, the Antioch, Crockett, Dumbarton and San Mateo bridges, constructed by private capital.

It wasn't until the 1930s that the Bay was crossed by bridges. The San Francisco-Oakland Bay Bridge was completed and opened to automobile traffic on Nov. 12, 1936 and rail service on Jan. 15, 1939. The project was constructed by the California Toll Bridge Authority. The Golden Gate Bridge, linking San Francisco and Marin counties, was opened to automobile traffic on May 27, 1937.

The completion of the bridges, including a new Southern Pacific railroad bridge linking Martinez and Benicia, saw the gradual disappearance of the familiar ferry boats and river boats.

Increasing competition from the automobile and rising deficits caused the Northwestern Pacific Railroad, serving Marin County, to cease interurban electric train and ferry service in 1941, the Peninsular Railway, serving Santa Clara County, abandoned its lines in 1935 and the Petaluma and Santa Rosa Electric Railway discontinued passenger service and the Southern Pacific-Interurban Electric Railway, serving the East Bay, ceased to run in 1941.

Thus, at the outbreak of World War II, mass transit in the Bay Area was not unified and to a great extent rail transit had given way to the auto and bus.

To meet the impact of the transportation needs of one of the "arsenals of democracy" necessitated the use of ferry boats to bring workers to and from San Francisco and the shipyards across the Bay. The Richmond Shipyard Railway was constructed from Oakland to Richmond, using old Third Avenue el cars brought from New York. The Municipal Railway of San Francisco acquired the Market Street Railway to prevent its complete collapse.

The San Francisco Bay Area faced the postwar period with a desire to do something about its many problems, no the least of which was regional mass transit. With increased population to transport and with the area's transit lines shrunken by the exigencies of time, use, technological advances and public choice, something inspiring and thought-provoking was required.

III
San Francisco Bay Area Rapid Transit Commission

The first ray of light was cast by a report of a joint Army-Navy board on an additional crossing of San Francisco Bay completed in 1946. Tucked away in this report was a recommendation for an adequate trans-bay rapid transit system.

The Board of Supervisors of San Francisco was instrumental in having introduced in the 1949 California State Legislature an act known as the "San Francisco Bay Area Metropolitan Rapid Transit District Act." The act in itself was unworkable and yet it kindled the interest of those seeking a method of dealing with the mass transit problem.

The Mayor of San Francisco appointed a citizen's advisory committee of 21 members in 1949, to study rapid transit and the Board of Supervisors appropriated $5,000 with which to implement the work of the committee.

From 1950 to 1951 the citizens committee met and literally studied rapid transit by exposure to all known methods of rapid transit past, present and in the minds of enthusiasts. However, it was obvious being informed on

Continued on page 20

OBSERVATIONS...

BY A. WILFRED MAY

THE MAJOR MYTH IN THE MARKET TOOL CHEST

(Excerpted from the author's talk before the Annual Forecasting Conference of the American Statistical Association, New York Area Chapter, May 5, 1961.)

In recent columns we have discussed *tools* of the "technical" variety for predicting stock market fluctuations, as *Break-Out* and *Point-and-Figure* charts, Odd Lot and Short Sales signalling.

Also in the Market Timing Tool Chest, but not so recognized, is the outside-of-the-market business, economic, and political situations—expected or present. Both the respectability and the unawareness, of its usage in this "tool" role renders realism here most important (we are no doubt committing blasphemy).

The premise that the state of economic activity — recession, recovery, etc. — governs the stock market continues to be blandly embraced by practically the entire community, including the expert mutual fund manager along with the lowliest market dopester. Any perusal of the Fund reports will confirm their taking for granted that their spelling-out of the current economic facts of life and/or correct prediction of their future provides the key to stock market timing.

Entirely typical is the first quarter report to shareholders of a leading fund, written by one of the nation's top economists and investment authorities.

Of the report's text of approximately 2,200 words, some 90% concern themselves with the course of the recession, industrial production, automobile sales, personal savings, unemployment statistics, inventory policies, the Common Market, balance of payments, short-term money rates in Germany, the Budget, and taxation.

The Economic Treatise

And apart from their quarterly financial reports to shareholders, containing, as cited above, a generous serving of economic-political dissertation, one of the largest Fund group publishes a monthly review in the form of a large-sized booklet, "THE BUSINESS SITUATION — A Current Appraisal," prepared for the management and directors of its constituent companies by the economics department headed by an authoritative economist.

The current issue, in 19 large-sized pages, deals with the usual questions of the length, depth and tempo of the "recession" and "recovery"—with attempts to fix them as past, present or future—with pin-pointed dissertations on credit, the nation's growth trend, and "the international situation," ending with a tabulation of Current Statistics containing the 1960-1961 course of production, retail sales, prices, construction, etc.

Such data are relevant to the context of a long-term investment program. But too often the investor, the amateur as well as the fund manager, attempts to use them for short-term portfolio operations—an attitude abetted by their monthly dissemination, with a featuring of the specific period's transient business outlook.

Betting on the News

Stock Exchange President Keith Funston offers as one of the two sound reasons* for his mart's booming volume, the fact that "people are coming into the market in force because they detect signs of an impressive economic recovery." Thus officially endorsing the concept of the Exchange as a betting ring for playing the odds on economic fluctuations.)

Disproved by the Market Test

The trouble with the blandly assumed premise of an economics-on-market impact, is (wholly apart from its illogic) its non-operation in practice. For the empirical test of actual performance in the market place decisively negates the useability of "outside" factors for market forecasting. Over the years such correlation has occurred in the case of only 30% or so of the economy's major turning points; in contrast to the converse, namely the market's anticipation of business (with varying lags) some 60% of the time. In other words, the market's action is of some value as one of the indicators of business turns (as included among those used by Geoffrey Moore at the National Bureau of Economic Research); but business factors either anticipated or arrived, are no indicator of the market's future.

The Long-Term Record

The latter business-to-market discrepancy has occurred decisively in the bear markets of 1917 and 1923; in the 1926-1929 New Era when bare steadiness in business and the price level was coupled with the wildest stock market boom of all-time; in 1935-1936 when there was little in the business situation to account for the 50% bull market rise; in the market's 1939-1942 bearish accompaniment of active business and good profits with a rising price level; in the 1946-1949 post-war industrial boom's accompaniment by a three-year bearish stock market; in 1950 when sharply rising business activity at the outbreak of the Korean War was attended by a major stock market fall; in early 1958 when sharply declining industrial production was greeted with a bull market revival; in early 1960 when a steady-to-rising economic picture was both accompanied and followed by a 9% market drop; and during our "recession-bull market" which began last fall.

Such major divergence has similarly existed over the longer term. Changes in business activity and earnings and the other relevant economic indices during the decades of the Towering Twenties and the Fabulous Fifties were far outstripped by the stock market's rises.

The Market's Psychology-Times-Earnings Ratio

This record of divergence stems mainly from the fluctuations in the investment community's "capitalization" in terms of the market's pricing of the economic factors. The irregularity and unpredictability of the market's establishment of a price-times-economic activity ratio is clearly evidenced in a single line chart tracing 60 years of stock market trends in relation to industrial activity — providing an incontrovertible demonstration of the extreme fluctuations in investor confidence and general psychology. This thermometer of investor confidence, or the prevailing speculative appetite, showed a decline of 50% from 1929-1930, a rise from 1935-1936; a decline of 60% from 1936-1942; a 16% rise of 110% from 1943-1946; and a further 150% rise extending from 1949-1960.

Two Long-Odds Parlayed Bets

This shows that a successful market forecaster and would-be timer using the state of business as a tool must win two separate "parlayed" bets; the first on the business future, and the second on the way the market will react thereto — with the second being even more hazardous than the first. Thus, in any event, market timing requires the services of the omniscient psychologist rather than the economist.

And we see again that the only time to buy a stock is *any* time that it affords satisfactory long-term value as judged by the relevant investment criteria.

* * *

*The other reason offered by Mr. Funston being the increase in public interest in and ownership of stocks.

IN OUR MAIL BOX
When the Graceful Exit?

Our *Observations* to which Mr. Roger Babson, venerable economist and publicist, refers below, stemmed from the current spate of stock market WARNINGS. Under the caption "Bell Ringing," we pointed out that while the forebodings coming from Stock Exchange President Funston, Babson, *et al.*, are completely logical and unexceptionable in every way, the *timing* of the inevitable correction calls for an entirely different, and impossible achievement. Evaluating "the market," or an individual stock, as having arrived in the over-priced range is quite feasible. But fixing the time when this becomes translated into the market's action is impossible. "High is high; but *just when* is high too high?"

As documentation for the impossibility of "bell-ringing" we cited the 38% eight-month further rise in the Dow Jones Average which followed Mr. Paul Warburg's famed warning of the 1929 cataclysmic collapse; and also the 62% market rise tacked on after the experts' forebodings given at the Fulbright Committee Hearings in March, 1955. Among the logical market "signals" the bond-stock yield ratio was already then clearly flashing an important warning.

The existence of such unpredictable LAG, then and now, including its applicability to his own cautionings, Mr. Babson apparently concedes.

Dear Mr. May:

Your excellent OBSERVATIONS which appeared in *The Chronicle* for Thursday, April 18, has raised a real question which I should endeavor to answer. My outline of signs for a turning in the bull market, I feel, are still good; but my column suggests that a reader would be entitled to believe that these signals are rapidly taking place. Mr. Warburg was a very able man and entitled to much consideration by investors of those days. Yet, after his belief that the bull market had about reached its turn to go down, it advanced 38%.

The above fact which you called to your readers' attention in your column reminds me of the advice which my father constantly gave me. He was a small country banker in Gloucester, Mass. He never went to college; but he had a great deal of common sense. The last talk I had with him before he died, he told me this: "Roger, you have a right to make forecasts; but no one has a right to put a date as to when these forecasts will take place." I want to apologize to my readers for not heeding my father's constant advice.

I admit that this market may or may not continue around present prices, or even go higher. I, however, must remind readers that the present relationship between the Dow-Jones Averages and the yields on these stocks must some time readjust themselves. Either there must be an increase in present dividends, which I do not see at the present time, or there must be a decline in the prices of the stocks. This adjustment may not take place for one or two years; but it is inevitable that stocks cannot continue to sell to yield only 2%.

With great respect to you and the historical publication for which you write.

Very truly yours,
ROGER W. BABSON.

Babson Park, Mass.
May 5, 1961.

Doremus Agency Appoints Haxall

Bolling W. Haxall has been appointed manager of news operations in the New York office of Doremus & Company, 120 Broadway, New York City, it has been announced.

Mr. Haxall, who joined Doremus in 1955, was formerly investment banking reporter and columnist for the New York *Herald Tribune*. Prior to that, he was Assistant Finuancial Editor of the New York *Journal of Commerce.*

Model, Roland to Admit to Firm

On June 1 Model, Roland & Stone, 120 Broadway, New York City, member of the New York Stock Exchange, will admit Allen M. Wagner to partnership.

Williston, Beane To Admit Partner

On June 1 J. R. Williston & Beane, 2 Broadway, New York City, members of the New York Stock Exchange, will admit James Nissan to partnership.

TAX-EXEMPT BOND MARKET

BY DONALD D. MACKEY

The week just past has been the least exciting one this year in the realm of municipal and state bond financing. Nor have other phases of the bond market been active enough to stimulate any more than routine business throughout the municipal street during the past few days. There have been no unusually large new issues in the market place, and there have been no particularly interesting issues to brighten the humdrum atmosphere of dull routine and listless inactivity. Rain drenched bond outings have helped a little bit. One such attracted 410 municipal men last Friday. A good time was had by all and they weren't the least bit missed back at the office.

Continued Dullness Indicated

Although we hope that these dull financial circumstances are but temporarily beleaguering us, there is but little present evidence capable of generating an interesting change in the volume of business at least in the near future since the technical phases of the municipal bond market appear to remain in nice balance; which condition may likely obtain for several weeks at least. The visible supply of new state and municipal issues continues to be relatively light for this usually very active period of the year. Sealed bid new issue invitations continue to total but little over $400,000,000. From a capacity viewpoint, this figure could be pushing $750,000,000 without engendering dealer apprehension or phasing up as a market deterrent. Of course, a few voluminous new issue announcements may change the viewpoint in short order but this presently seems remote. Moreover, dealer inventories are still only moderately heavy by any standard or precedent.

Investor Bargains

By simple arithmetical implications the current easy money situation could logically justify considerably heavier street inventories of tax-exempts. Although the market is slightly better again this week prices for, and returns from, tax-exempt bonds are still relatively favorable for most large investors.

Thus we must again point out that on its very own the state and municipal bond market appears to be in a fairly strong position and offers a relatively sound haven for those seeking income with tax avoidance, even to the extent of offsetting some of the less devastating increments of inflation.

Prices Up Again

The *Commercial and Financial Chronicle's* state and municipal bond yield Index has averaged at 3.261% as we go to press on May 17. A week ago the average yield figured 3.273%. This lessened return indicates an average market gain of about one-quarter of a point. This betterment may seem very small in view of the very favorable municipal bond market factors and the fact that the bond market generally has recently been doing well. Temporarily relieved of the concentrated volume of several large issues, the corporate market has again become agreeably absorbent. Federal Reserve interest in the various Treasury bill, note and bond issues has prevailed to the extent that these markets seem quite well adjusted to the Administration's expressed financial policies.

Fed's Difficult Task

Even with these strong influences, the bond market certainly poses a continuing problem for the money managers and for other interested parties. With Treasury cash requirements already substantial and building up to a total of about $10 billion for the balance of this calendar year, the Reserve's interest in the bond market must be a daily affair if the Administration's "mandate" for lower long-term rates is to be implemented meaningfully and effectively.

As expressed before, it would seem that the job can be done and perpetrated at least for a while but it may ultimately not be worth the doing. While politicians and their financial counterparts keep calling for new tools and techniques in their katydid cacophony, their only expressed harmony involves more and more spending. There is more problem here than sometimes meets the eye.

Toll Roads Bouncing

As the springtime deepens even without benefit of vernal side effects, the nation's toll roads are benefiting both revenue-wise and publicity-wise. There have been several timely articles, both newspaper and magazine, that have pointed up the worthy investment characteristics involved in most of these projects. Even those faced with problems possess a greater content of investmentworth than markets might indicate.

The over-all market for toll road bonds continues as an example of stability. The *Smith, Barney & Co.* Turnpike Bond Yield Index averaged 3.69% on May 11, the last reporting date. The Index has been within .05% of this figure for several months. The Illinois Toll Highway continues as perhaps the most spectacular performer. April's net revenue increased 16.9% over last April (1960) and the first four months' net revenue was up 40.5% over the like period a year ago.

Recent Financing

The week's largest offering, $40,000,000 Board of Education of the City of Chicago, Ill. (1963-1981) bonds came to market on Monday. The issue was won by the merged group headed by the Chemical Bank New York Trust Co., Smith, Barney & Co. and Glore, Forgan & Co. Scaled to yield from 1.85% to 3.50% for a 3⅜% coupon, the bonds met with fair initial investor reception. The issue is presently about 50% sold.

On Tuesday, $4,000,000 Marion, Ind. Sewer Revenue (1962-1996) bonds were awarded to the syndicate managed by Phelps, Fenn & Co. and which included Stone & Webster Securities Corp., Ladenburg, Thalmann & Co., American Securities Corp., L. F. Rothschild & Co. and Dominick & Dominick. The identical issue was originally planned for sale on Jan. 16 but was cancelled due to litigation, which had since been resolved.

The reoffering scale was priced to yield from 1.80% to 3.90%, but as the winning group had a sizable cover, most of the first day's sales which amounted to $1,740,000 of bonds, were sold at a substantial price adjustment. At this writing $2,210,000 bonds remain in account.

Also on Tuesday, Greenville-Spartanburg Airport District, South Carolina, sold $3,000,000 general obligation bonds due 1964-1991 to the amount managed jointly by The First National City Bank of New York and The Northern Trust Co. and including the First Boston Corp., Dominick & Dominick, and others. The bonds were priced to yield from 2.10% to 3.70% for various coupons. At present $925,000 of the bonds remain in account.

Pennsylvanias Go Well

Yesterday (May 17) $24,580,000 State Public School Building Authority of the Commonwealth of Pennsylvania serial (1961-2000) bond issue was awarded to the syndicate headed by Drexel & Co., Harriman Ripley & Co., First Boston Corp. and Kidder, Peabody & Co. The bonds were scaled to yield from 1.40% to 3.80% in 1998. The last two maturities, which bore a 1% coupon, were priced to yield 4.25%. Excellent initial investor demand for the issue is indicated.

By Way of Negotiation

In the negotiated loan category, Blyth & Co. expects to bring $17,400,000 Wisconsin State Public Building Corp. (Revenue) 1965-1991 bonds to market late in May. Allen & Co. continues to develop the Turnpike Authority of Kentucky, Western Kentucky Toll Revenue issue for early flotation. It is said that the $177,000,000 Massachusetts Turnpike Authority (Extension) issue may be brought to market before July 1. Details concerning the possible offering are not as yet known.

MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California (State)	3½%	1978-1980	3.55%	3.40%
Connecticut (State)	3¾%	1980-1982	3.35%	3.20%
New Jersey Highway Auth., Gtd.	3%	1978-1980	3.25%	3.10%
New York (State)	3%	1978-1979	3.25%	3.10%
Pennsylvania (State)	3⅜%	1974-1975	3.05%	2.90%
Vermont (State)	3⅛%	1978-1979	3.20%	3.05%
New Housing Auth. (N. Y., N. Y.)	3½%	1977-1980	3.30%	3.20%
Los Angeles, Calif.	3¾%	1978-1980	3.65%	3.50%
Baltimore, Md.	3¼%	1980	3.35%	3.25%
Cincinnati, Ohio	3½%	1980	3.35%	3.25%
New Orleans, La.	3¼%	1979	3.65%	3.50%
Chicago, Ill.	3¼%	1977	3.65%	3.50%
New York City, N. Y.	3%	1980	3.50%	3.45%

May 17, 1961 Index=3.261%

Larger Issues Scheduled For Sale

In the following tabulations we list the bond issues of $1,000,000 or more for which specific sale dates have been set.

May 18 (Thursday)			
Janesville, Wisconsin	2,615,000	1962-1981	11:00 a.m.
Lysander, Van Buren & Clay Combined School District No. 1, N. Y.	2,576,000	1961-1990	2.00 p.m.
May 19 (Friday)			
Hoboken, New Jersey	2,545,000	1962-1998	11:00 a.m.
West Virginia Board of Education, West Virginia	1,150,000	1963-1990	3:00 p.m.
May 20 (Saturday)			
North Dakota St. Bd. of Higher Education, North Dakota	1,200,000	1963-2000	2:00 p.m.
May 22 (Monday)			
Cedar Rapids, Iowa	1,900,000	1962-1980	10:00 a.m.
Cook County, Arlington Heights School District No. 25, Ill.	1,125,000	1963-1980	7:30 p.m.
Monterey Union H. S. D., Calif.	3,200,000	1962-1986	10:30 a.m.
Mount Mercy College, Pa.	1,598,000	1963-2000	10:00 a.m.
Palm Springs, California	3,000,000	1962-1991	3:00 p.m.
South River School District, N. J.	1,650,000	1962-1980	8:00 p.m.
Yellowstone County S. D., Mont.	1,800,000	1962-1981	8:00 p.m.
May 23 (Tuesday)			
Albemarle, North Carolina	1,775,000	1963-1986	11:00 a.m.
Craven County, North Carolina	1,000,000	1963-1985	11:00 a.m.
Delhi Township, Michigan	1,499,000	1963-2000	8:00 p.m.
Glendale, Wisconsin	2,900,000	1963-1981	11:00 a.m.
Griswold, Connecticut	1,357,000	1962-1981	11:30 a.m.
Jefferson County S. D. R-1, Colo	4,200,000	1964-1984	7:30 p.m.
Owensboro, Ky.	25,000,000	1962-1991	11:00 a.m.
Oyster Bay and North Hempstead Central Sch. Dist. No. 1, N. Y.	1,895,000	1962-1990	2:00 p.m.
Riverside, California	4,600,000	1962-1986	9.00 a.m.
Salt Lake County Improvement District, Utah	1,200,000	1964-1991	5:00 p.m.
Spartanburg, S. C.	1,300,000	1962-1991	Noon
Waterford-Halfmoon Union Free School District No. 1, New York	1,875,000	1962-1991	11:00 a.m.
Whitefish Bay, Wisconsin	2,100,000	1963-1981	11:00 a.m.
Wicomico County, Md.	1,800,000	--------	--------
May 24 (Wednesday)			
Bergen County, New Jersey	5,460,000	1962-1978	Noon
Houston, Texas	17,225,000	1962-1986	10:00 a.m.
Racine, Wisconsin	4,150,000	1962-1981	2:00 p.m.
St. Lucie County, Florida	1,600,000	1961-1982	2:00 p.m.
May 25 (Thursday)			
Grand Forks Indep. S. D., N. Dak.	1,075,000	1963-1980	11:00 a.m.
Huntington Union Free Sch. Dist. No. 4, New York	1,775,000	1962-1990	2:00 p.m.
Huntsville, Alabama	1,500,000	1963-1990	11:00 a.m.
Matawan Township Sch. Dist., N. J.	2,375,000	1962-1982	8:00 p.m.
Oceanside Small Craft Harbor District, Calif.	4,500,000	1965-1996	Noon
Salem, Mass.	1,520,000	1962-1981	11:00 a.m.
South Davis County Sewer Improvement District, Utah	1,500,000	1968-1991	8:00 p.m.
May 29 (Monday)			
Akron, Ohio	5,000,000	1962-1981	2:00 p.m.
Maricopa County School District No. 210, Arizona	3,300,000	1967-1977	11:00 a.m.
Murray State College, Ky.	1,400,000	1962-1986	11:30 a.m.
May 31 (Wednesday)			
Hardin-Jefferson Counties Consol. Indep. School District, Texas	1,001,000	--------	7:30 p.m.
Lafayette Parish Sew. Dist. 1, La.	1,452,000	1962-1991	4:00 p.m.
Paris Indep School District, Texas	1,500,000	1962-1986	8:00 p.m.
June 1 (Thursday)			
Camden County, New Jersey	1,655,000	1962-1975	2:00 p.m.
Coventry Local Sch. Dist., Ohio	1,025,000	1962-1981	Noon
El Toro Water District, Calif.	1,900,000	1963-1995	10:00 a.m.
Franklin, La.	1,500,000	1963-1981	7:00 p.m.
Los Alisos Water District, Calif.	1,400,000	1963-1995	10:00 a.m.
Louisiana State Bond & Building Commission, La.	14,000,000	1962-1986	11:00 a.m.
Monroe County Water Auth., N. Y.	17,000,000	1965-2001	2:00 p.m.
Moulton-Niguel Water Dist., Calif.	6,700,000	1963-1995	10:00 a.m.
Richland County Sch. Dist. No. 1, South Carolina	1,500,000	1963-1983	Noon
Sacramento Mun. Utility District California	30,000,000	1966-1999	11:00 a.m.
Swenney Indep. Sch. Dist., Texas	1,000,000	1962-1971	7:30 p.m.

This announcement is under no circumstances to be construed as an offering of these bonds for sale or as a solicitation of an offer to buy any of these bonds, and is published in any state on behalf of only such of the underwriters, including the undersigned, as may legally offer these bonds in such state. The offer of these bonds is made only by means of the Official Statement.

NEW ISSUE

$24,580,000

State Public School Building Authority (Commonwealth of Pennsylvania)

School Lease Revenue Bonds, Series E

Dated May 1, 1961 — Due November 1, 1961-2000 inclusive, as shown below

The Bonds are subject to redemption prior to maturity at the option of the Authority as a whole or in part, in the inverse order of their maturities, on November 1, 1971, or on any date thereafter, or pursuant to the requirements of the Indenture, as supplemented, in part in the inverse order of their maturities on November 1, 1966, or on any date thereafter on 30 days' prior notice, in accordance with the following schedule of prices and dates: at 103 beginning on November 1, 1963 and thereafter to and including October 31, 1969; at 102½ thereafter to and including October 31, 1972; at 102 thereafter to and including October 31, 1975; at 101½ thereafter to and including October 31, 1977; at 101 thereafter to and including October 31, 1979; at 100½ thereafter to and including October 31, 1981; and at 100 thereafter; plus, in each case, accrued interest to the date fixed for redemption.

Principal and semi-annual interest (May 1 and November 1) payable at Mellon National Bank and Trust Company, Pittsburgh, Pennsylvania, or, at the option of the holder at Provident Tradesmens Bank and Trust Company, Philadelphia, Pennsylvania, or at Chemical Bank New York Trust Company, New York City. Coupon Bonds in the denomination of $1,000, registrable as to principal only or registered Bonds without coupons in the denomination of $1,000 and any integral multiple thereof, interchangeable.

Interest exempt, in the opinion of counsel, from Federal Income Taxes under present statutes and decisions.

The State Public School Building Authority Act of 1947, as amended, provides that the Bonds, their transfer and the income therefrom (including any profits made on the sale thereof), are exempt from taxation, other than inheritance and estate taxation, within the Commonwealth of Pennsylvania.

The Act provides that the Bonds are authorized investments for fiduciaries within the Commonwealth of Pennsylvania.

The Bonds are direct and general obligations of the Authority and all the Bonds issued and to be issued will be secured by the full faith and credit of the Authority, and by the pledge, to the extent provided in the Indenture, as supplemented, of all revenues, rentals and receipts of the Authority, including all rentals payable by School Districts of the Commonwealth of Pennsylvania pursuant to Agreements and Leases and contracts to lease and leases, as said terms are defined in the Indenture, in respect of Projects, as said term is defined in the Indenture, and all right, title and interest of the Authority in and to said Agreements and Leases and contracts to lease and leases with respect to said Projects, including any amounts payable to the Authority by the Superintendent of Public Instruction of the Commonwealth of Pennsylvania (or person holding similar office) by reason of the failure of any School District to provide for the payment of any rental or rentals to the Authority under said Agreements and Leases and contracts to lease and leases.

Neither the credit nor the taxing power of the Commonwealth of Pennsylvania or any of its School Districts is pledged for the payment of the principal of, or interest on the Bonds; nor shall the Bonds be deemed to be obligations of the Commonwealth or of any of its School Districts; nor shall the Commonwealth or any of its School Districts be liable for the payment of principal or interest on the Bonds.

The Bonds are offered when, as and if issued and received by us and subject to an unqualified approving legal opinion by Messrs. Burgwin, Ruffin, Perry & Pohl, Pittsburgh, Pennsylvania. It is expected that delivery of the Bonds in definitive coupon form will be made on or about June 20, 1961.

Principal Amount	Interest Rate	Due	Yield to Maturity (or Price)	Principal Amount	Interest Rate	Due	Yield to Maturity (or Price)	Principal Amount	Interest Rate	Due	Yield to Maturity (or Price)
$255,000	6%	1961	1.40%	$450,000	3¼%	1974	3.30%	$ 815,000	3.70%	1988	100
135,000	6	1962	1.75	470,000	3¼	1975	3.35	845,000	3¾	1989	100
280,000	6	1963	2.00	485,000	3.40	1976	100	880,000	3¾	1990	100
295,000	6	1964	2.20	510,000	3.40	1977	3.45	920,000	3¾	1991	100
315,000	6	1965	2.40	530,000	3½	1978	100	955,000	3¾	1992	100
330,000	6	1966	2.60	555,000	3½	1979	100	995,000	3¾	1993	3.80%
335,000	6	1967	2.70	580,000	3½	1980	3.55	1,035,000	3¾	1994	3.80
350,000	6	1968	2.85	605,000	3.60	1981	100	1,080,000	3¾	1995	3.80
365,000	6	1969	3.00	625,000	3.60	1982	100	1,125,000	3¾	1996	3.80
380,000	6	1970	3.10	655,000	3.60	1983	3.65	1,170,000	3¾	1997	3.80
395,000	6	1971	3.20	685,000	3.60	1984	3.65	850,000	3¾	1998	3.80
415,000	5½	1972	3.25	720,000	3.70	1985	100	605,000	1	1999	4.25
430,000	3¼	1973	100	745,000	3.70	1986	100	635,000	1	2000	4.25
				775,000	3.70	1987	100				

(accrued interest to be added)

For information relating to the State Public School Building Authority and to these bonds, reference is made to the Official Statement of the State Public School Building Authority which should be read prior to any purchase of these bonds. The Official Statement may be obtained in any state from only such of the underwriters, including the undersigned, as may legally offer these bonds in such state.

DREXEL & CO. — HARRIMAN RIPLEY & CO. INCORPORATED — THE FIRST BOSTON CORPORATION — KIDDER, PEABODY & CO.

SMITH, BARNEY & CO. — BLYTH & CO., INC. — LEHMAN BROTHERS — EASTMAN DILLON, UNION SECURITIES & CO.

PHELPS, FENN & CO. — B. J. VAN INGEN & CO. INC. — WHITE, WELD & CO. — EQUITABLE SECURITIES CORPORATION

ALEX. BROWN & SONS — A. C. ALLYN AND COMPANY INCORPORATED — CARL M. LOEB, RHOADES & CO. — WERTHEIM & CO.

LEE HIGGINSON CORPORATION — F. S. MOSELEY & CO. — STROUD & COMPANY INCORPORATED — YARNALL, BIDDLE & CO.

HEMPHILL, NOYES & CO. — DOMINICK & DOMINICK — W. E. HUTTON & CO. — SHEARSON, HAMMILL & CO.

REYNOLDS & CO. — BACON, WHIPPLE & CO. — SCHAFFER, NECKER & CO. — A. G. BECKER & CO. INCORPORATED

AMERICAN SECURITIES CORPORATION — BARR BROTHERS & CO. — WOOD, STRUTHERS & CO. — FIRST OF MICHIGAN CORPORATION

ROOSEVELT & CROSS INCORPORATED — RAND & CO. — AUCHINCLOSS, PARKER & REDPATH — ERNST & COMPANY — BACON, STEVENSON & CO.

ESTABROOK & CO. — SCHMIDT, ROBERTS & PARKE — TUCKER, ANTHONY & R. L. DAY — BLUNT ELLIS & SIMMONS

JULIEN COLLINS & COMPANY — NEWBURGER, LOEB & CO. — GRANBERY, MARACHE & CO. — STEIN BROS. & BOYCE

COOLEY & COMPANY — STERN, LAUER & CO. — GREEN, ELLIS & ANDERSON — KING, QUIRK & CO. INCORPORATED

BUTCHER & SHERRERD — W. H. NEWBOLD'S SON & CO.

May 18, 1961.

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

IT IS UNDERSTOOD THAT THE FIRMS MENTIONED WILL BE PLEASED TO SEND INTERESTED PARTIES THE FOLLOWING LITERATURE:

Automotive Industries—Survey of outlook—E. F. Hutton & Company, 61 Broadway, New York 6, N. Y. Also available is a memorandum on **Taft Broadcasting Co.**

Bank Stocks—Earnings comparison of 20 leading bank stocks outside New York—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Bank Stocks — 116th consecutive quarterly comparison of leading banks and trust companies of the United States — New York Hanseatic Corp., 120 Broadway, New York 5, N. Y.

Chemical Stocks—Study with particular reference to **Air Reduction, E. I. du Pont De Nemours, Hercules Powder, Koppers Company, Monsanto Chemical Company** and **National Vulcanized Fiber**—Harris, Upham & Co., 120 Broadway, New York 5, N. Y. Also available is an analysis of **Burroughs Corp.**

Growth Leaders — Discussion in May investment letter—Carreau & Company, 115 Broadway, New York 6, N. Y.

Guide for Security Analysis—Method of evaluating securities without outside help—on request —Arnold Bernhard & Co., Inc., Dept. CFC-100L, 5 East 44th St., New York 17, N. Y.

Japanese Market — Review —Yamaichi Securities Co. of New York, Inc., 111 Broadway, New York 6, N. Y. Also available are reports on **Nippon Chemical Industrial Co.** and **Nippon Toki Kaisha, Ltd.**

Japanese Market — Review—Nikko Securities Co., Ltd., 25 Broad Street, New York 4, N. Y. Also available is a report on **Mitsubishi Chemical Industries** and an analysis of 16 Japanese stocks which are ADR candidates.

Japanese Stock Market — Survey —Nomura Securities Co., Ltd., 61 Broadway, New York 6, N. Y. Also available are analyses of **Yawata Iron & Steel; Fuji Iron & Steel; Hitachi Limited** (electronics); **Kirin Breweries; Sumitomo Chemical; Toyo Rayon; Toanenryo Oil Company; Sekisui Chemical Co.** (plastics); **Yokohama Rubber Co.;** and **Showa Oil Co.**

Mobile Homes — Discussion with particular reference to **Detroiter Mobile Homes Inc.** and **Skyline Homes, Inc.** — The Milwaukee Company, 207 East Michigan St., Milwaukee 2, Wis.

Oil Companies — Memorandum—Carl H. Pforzheimer & Co., 25 Broad Street, New York 5, N. Y.

Over-the-Counter Index — Folder showing an up-to-date comparison between the listed industrial stocks used in the Dow-Jones Averages and the 35 over-the-counter industrial stocks used in the National Quotation Bureau Averages, both as to yield and market performance over a 23-year period — National Quotation Bureau, Inc., 46 Front Street, New York 4, N. Y.

Popular Car in Europe—Comparative study of **Volkswagenwerk A. G., Renault, Citroen, British Motor Corp. Ltd.** and **Fiat** — R. Mees & Zoonen, Rotterdam, Netherlands.

Railroads — Estimates for 1961, monthly earnings & dividend summary — Vilas & Hickey, 26 Broadway, New York 4, N .Y.

Shoe Industry—Survey with particular reference to **International Shoe Company, Melville Shoe Corporation, Brown Shoe Company, Genesco, Green Shoe Manufacturing Co.,** and **United Shoe Machinery Corp.**—Thomson & McKinnon, 2 Broadway, New York 4, N. Y. Also available are memoranda on **Motec Industries** and **Phelps Dodge.**

Western European Securities—Survey—Hemphill, Noyes & Co., 15 Broad Street, New York 5, N. Y.

* * *

Adams-Mills — Report in current issue of "Investor's Reader"—Merrill Lynch, Pierce, Fenner & Smith Incorporated, 70 Pine St., New York 5, N. Y. Also in the same issue are discussions of **Atlantic City Electric, Columbia Broadcasting, Fram Corp., Perkin Elmer Corp., Philip Morris, Sears Roebuck** and **Salt Water Conversion Processes.**

Aeroquip Corp.—Report—Blair & Co., Incorporated, 20 Broad Street, New York 5, N. Y.

Airpax Electronics, Inc.—Analysis —Johnson, Lane, Space and Co., Inc., Florida Title Building, Jacksonville 2, Fla. Also available is an analysis of **Electro Mechanical Systems.**

Alabama Gas Corp. — Bulletin—Georgeson & Co., 52 Wall Street, New York 5, N. Y.

Allied Chemical—Bulletin—Evans & Co. Incorporated, 300 Park Avenue, New York 22, N. Y.

American Airlines—Memorandum —Pershing & Co., 120 Broadway, New York 5, N. Y.

American Brake Shoe Co.—Survey—J. A. Hogle & Co., 40 Wall Street, New York 5, N. Y. In the same circular are surveys of **International Silver Co., R. H. Macy & Co., Monsanto Chemical Co., Pittsburgh Plate Glass Co., Sears, Roebuck & Co., Security First National Bank** and **United Shoe Machinery Corp.** Also available are reports on **Koppers Co., Mountain Fuel Supply, Chas. Pfizer & Co.** and **Wisconsin Electric Power.**

American Commercial Barge Line —Discussion—Shields & Company, 44 Wall Street, New York 5, N. Y. Also available is a discussion of **Mid West Abrasive,** and a detailed report on **Minerals & Chemicals Philipp.**

Ashland Oil & Refining Company —Analysis — Eastman Dillon, Union Securities & Co., 15 Broad Street, New York 5, N. Y. Also available is an analysis of **Tidewater Marine Service, Inc.**

Associated Arcadia Nickel — Report—Rosar Canadian Marketrend Surveys Ltd., 67 Yonge Street, Toronto 1, Ont., Canada.

Avery Adhesive Products Inc.—Memorandum — Schwabacher & Co., 100 Montgomery Street, San Francisco 4, Calif. Also available are memoranda on **Emerson Electric Manufacturing Co., Frito Co., Morrison Knudsen Co.** and **Pacific Industries, Inc.**

C. I. T. Financial—Memorandum —B. C. Christopher & Co., Board of Trade Building, Kansas City 5, Mo.

Canadian Breweries Ltd.—Memorandum—Royal Securities Corporation, 244 St. James Street, West, Montreal 1, Que., Canada.

Carrier Corporation — Analysis—A. C. Allyn & Co., 122 South La Salle Street, Chicago 3, Ill. Also available are analyses of **Libby, McNeill & Libby, Robertshaw-Fulton Controls Company, Scott, Foresman & Co.** and a memorandum on **Ekco Products.**

Cascade Natural Gas Corp.—Analysis—H. Hentz & Co., 72 Wall St., New York 5, N. Y. Also available are data on **Lockheed Aircraft** and **Grumman Aircraft.**

Cascade Natural Gas Corporation —Report — G. A. Saxton & Co., Inc., 52 Wall Street, New York 5, N. Y.

Coleman Engineering Company, Inc.—Analysis — Leason & Co., Incorporated, 39 South La Salle Street, Chicago 3, Ill

Commercial Solvents Corp. — Report—Alfred L. Vanden Broeck & Co., 55 Liberty Street, New York 5, N. Y. Also in the same circular are reports on **Gardner Denver Co., Houdry Process Corp., Roadway Express Inc.**

Continental Can—Memorandum—Francis I. du Pont & Co., 1 Wall Street, New York 5, N. Y. Also available is a memorandum on **Robertshaw-Fulton Controls.**

Duro Test Corp.—Analysis—Orvis Brothers & Co., 15 Broad Street, New York 5, N. Y. Also available are analyses of **Berkshire Frocks, Echlin Manufacturing Co., Frisch's Restaurants Inc., R. E. Funsten Company, Herff Jones, La Crosse Cooler Co., McCormick & Co., Monroe Auto Equipment** and **Virginia Dare Stores Corp.**

Duval Sulphur — Memorandum—Steiner, Rouse & Co., 19 Rector Street, New York 6, N. Y.

El Dorado Hills County Water District (El Dorado County, Calif.) —5% and 5½% tax exempt income bonds—data—Grande & Co. Inc., Dept. G-1179, Hoge Building, Seattle 4, Wash.

First Flight Corp.—Analysis—J. R. Williston & Beane, 2 Broadway, New York 4, N. Y.

Flintkote Company — Analysis—Robert Garrett & Sons, Garrett Building, Baltimore 3, Md.

Food Fair Stores — Data — Paine, Webber, Jackson & Curtis, 25 Broad Street, New York 4, N. Y. Also available are data on **Central & Southwest, Phoenix Insurance Co.,** and **Harris Intertype.**

Foremost Dairies, Inc.—Analysis —Hill, Darlington & Grimm, 2 Broadway, New York 4, N. Y. Also available is an analysis of **Patrician Paper Company, Inc.**

Franklin National Bank of Long Island—Report—Reynolds & Co., 120 Broadway, New York 5, N. Y. Also available is a report on **Kern County Land Company.**

Geco Mines Limited—Analysis—Doherty Roadhouse & Co., 335 Bay Street, Toronto, Ont., Canada.

General Railway Signal Company — Report — Freehling, Meyerhoff & Co., 120 South La Salle Street, Chicago 3, Ill.

Glen Manufacturing Inc.—Analysis—Saunders, Stiver & Co., 1 Terminal Tower, Cleveland 13, Ohio.

Hiram Walker - Gooderham & Worts Ltd. — Report — Equitable Securities Canada, Ltd., 60 Yonge Street, Toronto 1, Ont., Canada. Also available are reports on **Calgary Power Ltd.** and **Waterous Equipment Limited.**

Houston Fearless Corp. — Memorandum—Mohawk Valley Investing Company, Inc., 238 Genesee Street, Utica 2, N. Y.

Hudson's Bay Company—Analysis —W. D. Latimer Limited, 244 Bay Street, Toronto 1, Ont., Canada.

Indiana General Corporation — Analysis — Emanuel, Deetjen & Co., 120 Broadway, New York 5, N. Y.

Interstate Engineering Corp. — Analysis—A. M. Kidder & Co., Inc., 1 Wall Street, New York 5, N. Y. Also available is a report on **Tire and Rubber Producers.**

Massey Ferguson Limited — Review—James Richardson & Sons, Inc., 14 Wall Street, New York 5, New York.

Merchants Fast Motor Lines — Memorandum—Kimball & Cross, 77 Franklin Street, Boston 10, Mass.

Minerals & Chemicals Philipp Corp.—Analysis—Shearson, Hammill & Co., 14 Wall Street, New York 5, N. Y.

North American Aviation, Inc.—Analysis—Carl M. Loeb, Rhoades & Co., 42 Wall Street, New York 5, N. Y. Also available are reviews of **Philips Lamp, Ohio Oil Company, Eastern Gas & Fuel Associates, Western Auto Supply Company, Northwestern Steel & Wire Company, Cigarette Companies, Calgary Power** and **Draper Corp.**

Pacific Airmotive — Report — Albert Ginsberg Company, Box 777, Hibbing, Minn.

Pan American Sulphur Company —Analysis—Butcher & Sherrerd, 1500 Walnut Street, Philadelphia 2, Pa.

Permanente Cement Company — Analysis—Dean Witter & Co., 45 Montgomery Street, San Francisco 6, Calif. Also available is a memorandum on **Hawley Products.**

Policy-Matic—Review—Robert H. Huff & Co., 210 West Seventh Street, Los Angeles 14, Calif. Also available are data on **Beneficial Standard Life.**

Salada Shirriff Horsey Ltd.—Review — Stearns & Co., 80 Pine Street, New York 5, N. Y. Also available are reviews of **American Seal-Kap** and **Sprayfoil Corp.**

Soroban Engineering—Report—R. S. Dickson & Company, Inc., Wachovia Bank Building, Charlotte 1, N. C.

Southdown Inc.—Analytical Brochure—Howard, Weil, Labouisse, Friedrichs and Company, 211 Carondelet Street, New Orleans 12, La.

Standard Kollsman—Analysis—D. H. Blair & Company, 42 Broadway, New York 4, N. Y.

Technicolor Inc. and **Technicolor Ltd.**—Report—Winslow, Cohu & Stetson, Inc., 26 Broadway, New York 4, N. Y. Also available are data on **American Ship Building.**

Texas National Petroleum Co.—Report—Dean Witter & Co., 50 West Adams Street, Chicago 3, Ill. Also available is a bulletin on **Western Light & Telephone Company.**

Towmotor — Memorandum — Ball, Burge & Kraus, Union Commerce Building, Cleveland 14, Ohio. Also available is a memorandum on **United Aircraft.**

Union Texas Natural Gas Corp.—Data—Goodbody & Co., 2 Broadway, New York 4, N. Y. Also available are data on **Harris Intertype Corp.** and memoranda on **MGM** and **Motec Industries.**

Weyerhaeuser Timber Co. — Report—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

The State of TRADE and INDUSTRY

Steel Production
Electric Output
Carloadings
Retail Trade
Food Price Index
Auto Production
Business Failures
Commodity Price Index

The following summary of general business and financial conditions appears in the May issue of the Federal Reserve Bulletin.

Industrial production, employment, and income increased in April. Prices of sensitive materials rose further. Construction activity was somewhat higher but retail sales declined following a marked rise in March. Bank credit and the money supply expanded in April.

Industrial Production

Industrial production increased in April to 105% of the 1957 average and was 2½% above March and 4% below mid-1960. Increases were widespread for output of final products and industrial materials. The expansion in consumer goods reflected further increases in furniture, television and radio sets, and some other home goods. Auto assemblies recovered 30% from the reduced March rate and current production schedules indicate a further contra-seasonal rise in May. Output of consumer staples also increased in April and apparel was maintained at about the improved March level. Following a moderate decline in activity in business equipment industries last autumn and winter, commercial and industrial machinery increased in April, and trucks and farm equipment continued to expand.

Steel mill operations rose about 15% and in early May showed a further marked gain. Increases were general in April for other durable goods materials and nondurable supplies.

Construction

New construction activity increased 2% in April and was at a seasonally adjusted annual rate of $55.8 billion. Both public and private construction rose. Private residential building increased about 4%, reflecting in part the 8% rise in private housing starts in March.

Employment

Employment in nonfarm establishments turned up in April, with most manufacturing industries participating in the rise. Construction employment again rose substantially and there were moderate gains in other nonmanufacturing industries except for transportation and public utilities. The average factory workweek rose slightly further. Hourly and weekly earnings increased somewhat and were 2% higher than a year ago. The seasonally adjusted unemployment rate of 6.8% has been virtually unchanged since December.

Distribution

Retail sales, which had risen appreciably in March on the basis of revised figures, was off in April. Sales at department stores increased for the third consecutive month, while the volume at most other outlets declined. New auto sales changed little from the increased March rate, which was about a tenth above the low earlier this year. Dealer stocks of new autos declined contra-seasonally further in April and were a tenth below a year ago.

Commodity Prices

Prices of sensitive industrial materials rose further from mid-April to mid-May. Copper and brass mill products were raised, and rubber, tin and some other commodities advanced further. After a rise of nearly 40% from November through March, steel scrap declined somewhat. Prices of livestock and meats decreased about 5% from February to early May as marketings increased appreciably.

Bank Credit and Reserves

Total commercial bank credit increased about $1½ billion in April, with two-thirds of the rise reflecting increased holdings of government securities. Loans also increased as a sharp rise in security loans and moderate increases in most other types of loans were offset partly by reduced business loans. The average money supply, seasonally adjusted, increased $500 million further in April.

Member bank borrowings from the Federal Reserve averaged about $50 million and excess reserves $600 million over the four weeks ending May 10. Between mid-April and mid-May, reserves were supplied through currency inflow and absorbed through Federal Reserve sales of government securities. Gold stock showed little further change. Required reserves increased somewhat.

Security Markets

Corporate security financing was in large volume in April and early May and yields on corporate bonds increased somewhat. State and local government financing, however, was smaller than earlier this year and yields on such bonds declined. Yields on all maturities of U. S. Government securities also declined from mid-April to mid-May. Medium- and long-term yields fell to their lowest levels in more than two years; Treasury bill rates dropped to about their lows of late January.

Common stock prices in early May recovered to about the mid-April peak.

Bank Clearings 9.8% Above the Same 1960 Week

Bank clearings last week showed an increase compared with a year ago. Preliminary figures compiled by the *Chronicle* based upon telegraphic advices from the chief cities of the country, indicate that for the week ended Saturday, May 13, clearings for all cities of the United States for which it is possible to obtain weekly clearings was 9.8% above those of the corresponding week last year. Our preliminary totals stand at $28,346,000,432 against $25,827,861,669 for the same week in 1960. Our comparative summary for the leading money centers for the week follows:

Week End. May 13—	(000 Omitted) 1961	1960	%
New York	$15,384,500	$13,443,041	+14.4
Chicago	1,334,724	1,298,539	+ 2.8
Philadelphia	1,200,000	1,128,000	+ 6.4
Boston	772,911	746,546	+ 3.5

Steel Industry Off the Bottom According to "Iron Age"

The steel industry is off the bottom. For the next few weeks, at least, there will continue to be further improvement in orders, production, and steel consumption, *The Iron Age* reports.

The improved order rate is due to three major factors: (1) The change in the economic climate; (2) Advance buying by automakers as a hedge against possible labor troubles; (3) Normal seasonal factors.

When these factors are added together, they mean an increased order volume, extended delivery, bigger backlogs for steelmakers, the national metalworking magazine says.

A leading Midwest steelmaker says his company's order backlog now is higher than at any time since June 1960.

Another says, "The increase is across the board, as well as autos and auto suppliers. It has been a long wait — but we are back in business."

The upturn, and the optimism it has generated, raise some big questions by themselves. How long will the improvement last? What about the traditional summer slowdown? And what about inventory buying?

The summer slump will hit steel. But it may do little more than level off the current uptrend temporarily *The Iron Age* says.

Inventory buying is almost confined to the auto industry. And even there it is still only on a small scale. Many segments of the industry continue to press for fast delivery.

Actually, most of the increase in steel orders from the auto industry is a direct result of production schedule boosts. Last week the industry scheduled 131,000 units, highest for any week this year.

However, automakers plan an early and fast phase-out of current model production this summer to get production of 1962 models underway before labor contracts expire August 31.

So far, mills have managed to handle the bulge in orders. While it has caused considerable strain, there has been no appreciable stretchout of deliveries. But it has taken some uneconomical measures—juggling of rolling mill schedules, shipping from a more distant producing point, etc.

The situation is probably more dangerous from a supply standpoint in the Midwest than elsewhere, the magazine points out. There, mills are operating at 10 to 20 points higher than East Coast mills.

But the divergence between individual company operating rates should be eliminated soon. And the majority of mills should settle down to an operating rate of just under 70%.

Steel Consumption Will Be Up About 19% for Quarter

Steel consumption is rebounding, *Steel* magazine reported.

Nearly 19% more finished steel is expected to be consumed this quarter than in the first quarter —17.9 million vs. 15.1 million tons.

Now that the automotive industry has come back into the buying picture, a pickup can be seen across the board.

So far, the mills have had no trouble keeping most of their delivery promises. The exceptions are galvanized plates and tin plate. Some producers are sold out of those products for two months.

Steel estimates the industry is operating at 70% of 1961 capacity. Ingot production reached the 2 million ton mark last week for the first time in nearly a year. Output this week is expected to exceed that mark.

In spite of rising steelmaking operations, scrap prices are sagging. *Steel's* composite price on No. 1 heavy melting dropped another 67 cents a gross ton to $36.33.

Although consumption is up sharply this quarter, it may not equal the amount of steel that users will receive from U. S. and foreign mills. Inventories may climb by as much as 500,000 tons. A large part of the increase will reflect tin plate stockpiling by can companies. There also may be some rebuilding of steel mill inventories.

The flood of May orders caught most steelmakers by surprise, forcing them to ship substantial tonnages from inventory. They are likely to rebuild their stocks to some extent during the second and third quarters.

Steelmakers do not yet see the start of an inventory buildup by customers, but with increased buying, more consumers are beginning to take a close look at

Continued on page 29

FROM WASHINGTON ...Ahead of the News

BY CARLISLE BARGERON

President Kennedy seems to have broken up the famous coalition of Southern Conservative Democrats and Conservative Republicans. Time after time at this session of Congress the coalition has failed to hold. The minimum wages and hours bill was anathema to the Southern Conservatives, yet Mr. Kennedy managed to wean enough Southerners away from their dislike to pass the bill easily.

His manner of calling up Senators to tell them that the Administration has awarded a big defense contract to their state is one example of the way in which he has broken up the coalition. Take Senator Talmadge, for example. A Georgian, he does not like a lot of things about the Kennedy Administration. Yet, when a big defense contract was awarded to a plant in Atlanta, Ga., the President permitted Senator Talmadge to announce it as something he had accomplished.

This was obviously a feather in the Senator's hat. And when the matter of Federal aid to education comes up, the Senator will find it hard to oppose the President, although his state is against the bill.

Similarly, Mr. Kennedy does not neglect the Republicans. A defense contract, was awarded to the Fairchild Engineering and Aircraft Company of Frederick, Md. Mr. Kennedy called Senator Butler, a Republican, of Maryland, to let him announce it. Senator Butler, a hard hitting Republican, now thinks there are a lot of good things about the Kennedy Administration.

The President also has 70 Federal judgeships to dangle before the Senators. The Democrats blocked Mr. Eisenhower's recommendation for additional judgeships to take care of crowded dockets. They did it unashamedly in the hope that they would win last November. Now they increased the number recommended by Mr. Kennedy which, by the way, was more than Mr. Eisenhower had asked for. They have also increased the number asked for by the Judicial Conference. But there are 70 judicial plums which Mr. Kennedy will judiciously pass out to hold Senators in line.

The President and his young brother, Bobbie Kennedy, however, do not seem to be working in harmony. President Kennedy seems to be doing everything he can to cultivate Southern Senators. Bobbie seems to be trying to alienate them.

As opposed to the President's treatment of Senator Talmadge of Georgia, Bobbie went down to Athens, Ga., at the University of Georgia, and told how he intended to enforce civil rights. Over the week-end there has been a racial flare-up in Anniston, Ala. Bobbie was quick to intervene and is trying to find out if he can do anything.

A couple of weeks ago Senator Harry F. Byrd was quite flattered when he gave a party on his apple farm at Winchester, Va., and President Kennedy unexpectedly showed up. Senator Byrd has been quite critical of the Administration. As a matter of fact, he never came out for Kennedy in his Presidential race and no one to this date knows how he voted.

Despite this obvious effort to cultivate him on the part of the President, young Bobbie is trying to close down all the schools of Virginia unless they permit integrated schools in Prince Edward county. Senator Byrd has denounced young Bobbie's intention in the most uncertain terms.

* * *

I have just heard of one of the first results of the Internal Revenue Department's agitation against tax deductions. Secretary of the Treasury Dillon has been citing to Congress horrendous stories of how businesses deduct expenses of yachts, African junkets, etc. A Washington newspaper correspondent has been notified by his home office that in the future he will not have an expense account but must travel solely on a credit card. This means that the correspondent can't use a taxi or eat out of the hotel in which he is living or buy a drink for a news source. He has submitted his resignation. Traveling in small towns, he could find nobody to honor a credit card.

* * *

Former Vice-President Nixon made a good impression on Republican leaders who met him on his recent trip to Washington. Senator Styles Bridges of New Hampshire, who has been quite critical of the Presidential campaign Nixon made, agrees that he impressed the Republican leaders with whom he talked.

Named Director

Arthur E. Palmer, Jr., general partner of the investment banking firm of White, Weld and Company, was elected a director of the Cooper-Bessemer Corporation of Mount Vernon, Ohio, at the company's 128th annual shareholders' meeting in Mount Vernon, Ohio.

Name Now Brooke, Sheridan, Bogan & Co.

PHILADELPHIA, Pa. — Sheridan Bogan Paul & Co., Inc. and Brooke & Co. have merged their investment business under the name of Brooke, Sheridan, Bogan & Co., Inc. Offices are at 2 Penn Center Plaza.

D. K. Kelly Co.

(Special to THE FINANCIAL CHRONICLE)

SHERMAN OAKS, Calif.—D. K. Kelly and Company Inc. is engaging in a securities business from offices at 4421 Ventura Canyon. Officers are Donald W. Kelly, President and Treasurer; E. B. Kelly, Vice-President, and Maurice Lewitt, Secretary.

Communists Use Unions to Further Russia's Aims

By Paul Einzig

Readily accepted communist leadership in British and free country labor unions has succeeded in thwarting technological progress and can cost us the cold war unless stopped. Dr. Einzig, in stressing this, notes that U. S. S. R. domestically is not afflicted by this problem and, thus, would be able to conquer the free world by offering a higher standard of living. The writer calls for a program to enlighten labor on Russian internal practice; on the need for reasonable self-restraint so free world can win the higher standard of living race; and on the unprincipled aims of their communist shop stewards.

LONDON, England — There is a growing volume of evidence about the role played by Communists in the deterioration of industrial relations in Britain. By fair means or by foul they secured control over some trade unions in key position and even in unions which are not under Communist control they are able to make themselves felt by organizing wildcat strikes and undermining the authority of the duly elected officers of the unions. The latter have to support claims which they know to be unwarranted, because of the influence of Communists over the rank and file of the members.

The object of Communist pressure is **not** to improve the standard of living of workers. Indeed in the long run the improvement of their standard of living is handicapped by inflationary wage increases which compel the government from time to time to resort to disinflationary measures, thereby slowing down the expansion of production which alone could accelerate progress towards a higher standard of living. In stimulating inflationary wage demands, Communists in British trade unions simply serve the interests of the Soviet Union by improving the latter's chances of catching up with the free world in the increase of its production.

Notes U. S. S. R. Industrialization Pace

It would be idle to minimize the progress achieved by the Soviet Union, and the Communist group of countries in general, in the sphere of industrialization. Even so, it would take many years before they could achieve a standard of living comparable with that of the western countries, were it not for their successful effort in handicapping industrial progress in the western world. Excessive wage demands by leading to credit squeezes and other restrictive measures, constitute a powerful weapon in the economic cold war. Non-Communist members of trade unions are unaware that, by lending themselves to the Communist game, they do their utmost to prevent progress toward a higher standard of living that has now become technologically possible as a result of automation.

There is also direct resistance to such progress, in the form of stubborn fight against automation. Trade unions either oppose the adoption of labor-saving equipment or insist on terms on which their adoption ceases to be profitable. While in the Soviet Union automation is adopted to the utmost limit of technological possibility, in Britain and other free countries its adoption is slow, and the industries adopting it are prevented by trade union pressure from taking full advantage of its beneficial effect. Firms adopting labor-saving equipment are compelled to retain their redundant manpower which does not therefore become available for other requirements. In Soviet Russia such resistance to the full application of technological progress to production is inconceivable. Yet it is the British Communists who favor the system operating in Soviet Russia who organize in Britain and other western countries resistance to automation.

Unless something is done about this the free world is likely to lose the economic cold war. Within a relatively short time the Communist group will be able to catch up with the western output per head of the population, and will be able even to exceed it. In which case the Communists stand a chance of conquering the free world, without having to fire a single shot, by offering a higher standard of living.

Would Enlighten Rank and File

It is time to make an effort to enlighten the rank and file of trade unions about the way in which they lend themselves to be used by the Communists for the purpose of defeating the system of democratic freedom. If only the trade unions practiced a reasonable degree of self-restraint in their wage demands and in their demands for shorter hours, and if they refrained from handicapping progress of automation, the free world would more than hold its own in the race for a higher standard of living. The slowing down of the increase in capital investment and in the output in recent years is entirely attributable to misguided trade unionist activity. Many trade unionists are entirely unaware that they are exploited for the benefit of the Communists. They look upon the Communist shop stewards who stir up discontent as their well-wishers, and they are inclined to follow their lead rather than that of more moderate trade union officials. They ought to be made to realize that these Communists are utterly indifferent to their welfare and are solely concerned with serving Moscow's interests in the economic cold war by holding up the expansion of production in the free world.

One of the reasons why Communists in Britain are able to exert an influence quite out of proportion to their small numbers is that they are looked upon as people sincerely holding political views that are different from those of the majority. Even anti-Communists often pay tribute to their sincerity. In reality the large majority of them are simply gambling on the victory of the system they support. If as a result of their resistance to the expansion of output in Britain the Communists should win the cold war they would be duly rewarded with well-paid jobs. In serving Communism they merely serve their self interest, in accordance with the basic Marxian doctrine that our political opinions are determined by our material interest.

Norman Reed With Curtiss, House & Co.

CLEVELAND, Ohio—Norman E. Reed, Jr. has become associated with Curtiss, House & Co., Union Commerce Building, members of the New York and Midwest Stock Exchanges, as manager of the municipal bond department. He was formerly with Hayden, Miller & Co.

A Land Company With Imagination—DISC, Inc.

By Dr. Ira U. Cobleigh, Enterprise Economist.

Giving some account of an enterprise displaying an unusual growth rate resulting from timely purchase, intelligent development and effective financing of land holdings.

In the past decade realty corporations have become very popular with investors. These companies are generally of two kinds—(1) those stressing dividend income with high and substantially tax-exempt payouts from depreciation allowances, and (2) those aiming more for capital gains by retention and reinvestment of earnings and profits. In the latter group is DISC, Inc., which, within less than four years (1958-61), has been able to expand its assets from $700,000 to an estimated $20 million in current property valuation. Founded by Dr. Irving S. Lichtman, and a group of associates, in 1956, DISC, Inc., has swiftly acquired favorably located land and well-selected income-producing property in California and Florida, but it has placed major investment emphasis on one of the most rapidly growing urban areas in the United States—Washington, D. C. and its environs.

Income Producers

We'll talk about its income-producing property first. In the Capitol Area, DISC, Inc. owns two fine apartment buildings in Arlington, Va., with combined gross annual rentals of $255,000; and the Magruder Park Apartments in Hyattsville, Md., grossing $170,000; and the DISC Building, a six-story air-conditioned office building in the heart of Washington, D. C. While this produces a rental income of $150,000 annually at full occupancy, that return is by no means it feature attraction. The financial district of Washington, D. C., has quite recently been moving to the "K" Street area between 16th and 20th Streets, and $50 million worth of sleek new office buildings have gone up within a golf drive of this DISC Building. It is only logical to predict that this property may one day enjoy significant enhancement in value as a skyscraper.

In California income-producing property includes apartment buildings in Los Angeles, Santa Maria, Santa Barbara and Lompoc, grossing totally over $160,000.

But offices and apartment buildings are only half the story. Company land held for development represents right now a larger asset appraisal; and the plans afoot, to activate this land, offer exciting potentials for expanded income and major capital gains in the years immediately ahead.

In Alexandria, Va., Davenport Corp., a wholly owned subsidiary, has 25 acres of land. On this favorably situated suburban property a start toward air-conditioned luxury garden apartments has been made with 256 units and swimming pool. Each apartment has its own private balcony with sliding glass doors, and many have their own private entrances and patios. Because of this sophisticated planning and verdant landscaping, these apartments will command premium rentals. These de luxe rental rates will maximize earning power and provide the basis on which a $2,500,000 mortgage loan was recently arranged with Equitable Life Insurance Society. It is expected that the entire cost of land and building will, in due course, be recovered and a substantial net equity created for DISC, Inc.

In Mount Vernon, Va., DISC, Inc. owns 130 acres of residential land, some of it fronting on a main road only two miles from the home of President Washington. Here 250 desirable homesites are to be plotted, delivering, over time, an anticipated gross income of perhaps $1,000,000.

At Annandale, Va., 250 acres of land are owned, to be developed shortly as a high quality home community. At Oakton, Va., DISC, Inc. has a 69% interest in 31.5 acres of land at a clover-leaf on Federal Interstate Highway No. 66. The rapid business expansion indicated for this area suggests that this land, zoned residential, may be swiftly needed for more urgent business or industrial purposes — perhaps a shopping center or motel complex.

There's also the Andrews Tract —a 15½-acre parcel commercially zoned on the circumferential highway connecting Andrews Air Force Base (undergoing a $75 million expansion) with the Maryland approach to the new Woodrow Wilson Bridge now under construction. This attractive land area was acquired before the bridge location had been defined, and DISC, Inc. has turned down some quite rewarding proposals for resale at substantial profit.

An Imaginative Project

Perhaps the most dramatic current plan of DISC relates to a long-term lease just concluded for strategic acreage adjoining Washington National Airport, off Mount Vernon Memorial Parkway. Here the imaginative thinking of the DISC, Inc. management is strongly in evidence. There is no major convention hall in all of Washington; so DISC, Inc. has plans to erect a 3,000-seat hall. To serve that, other functional and profitable structures have been planned—a 400-room hotel, a 237-room motel, a marina, recreational facilities and a huge parking area. This impressive project has been given an equally panoramic name "GALAXY." Total building cost is estimated at $12 million. This complex will supply services and facilities urgently needed in the Washington district, and is so-located geographically as to permit great ease of arrival and departure for guests and patrons, without the necessity of bucking the traffic in super-congested Washington.

Going South, DISC, Inc. has a number of land holdings presenting interesting possibilities for capital gain. In Melbourne, Fla., the largest city near Cape Canaveral, in the fastest growing county in the United States, DISC, Inc. holds 370 acres. Much of this is in the main stream of subdivision and home building, and one downtown section is zoned for use as a shopping center.

Going further South to Fort Pierce, DISC, Inc. has an attractive land development on Florida's Gold Coast at Queens Cove. This property has a 15-mile frontage on piturescue and navigable Indian River. It has been divided into 774 lots, each of which will have water frontage. These are all part of an exclusive estate club complete with an ocean beach, a surf clubhouse and proper restriction as to quality and style of each home structure. The club is being built up through invitations to purchase land extended to a selected list of high-ranking military personnel at or approaching retirement age.

More Than Luck

Here then is a rough outline of the acreage and income-producing property owned by DISC, Inc. There are a number of other tracts which we did not have space to catalogue. Apparently there has been good DISC judgment at work, topside, picking up land in areas of indicated rapid expansion and purchasing at favorable prices and on favorable terms; plus development and financing under programs designed to maximize and accelerate income and capital enhancement. Before there was a bridge in view, DISC, Inc. bought adjacent land. In California, before an air base expanded, DISC, Inc. had acquired nearby land at an uninflated price. Something more than luck seems to be involved here.

With this nice touch for selection of "the good earth" is coupled a sophisticated sagacity in financing. By stressing structural quality, DISC, Inc., is usually able to get "top dollar" in mortgage loans. In "GALAXY," DISC, Inc. plans to lease the hotel and use this lease contract as a substantial building block in total financing of the project.

DISC, Inc. common has enjoyed an expanded public ownership during the past two years. At present there are 2,000 holders of the 2,092,000 common shares outstanding, traded over-the-counter currently at around 8. Because of the many additions to land holdings in the past year, current definition of per share earnings and book value must await publication of the annual report, due within a few weeks. As a speculative equity in well located and aggressively developed real estate and a possible vehicle for market gain, DISC, Inc. shares may merit further investigation.

Calif. IBA Group Annual Meeting

SAN FRANCISCO, Calif. — The California Group of the Investment Bankers Association of America will hold their annual conference in Santa Barbara June 17 through June 20.

Speakers will include Ransom Cook, President of Wells Fargo Bank American Trust Company; William H. Draper, Jr., Draper, Gaither & Anderson; Beryl Sprinkle, Harris Trust & Savings Bank; and Dr. Fred E. Termon, Stanford University.

George A. Newton, G. H. Walker & Co., President of the Investment Bankers Association will also address the conference.

A Municipal Forum will be held June 18, with John E. Carr, Director of Finance of the State of California, principal speaker.

Komosa Joins H. C. Wainwright

Theodore J. Komosa has joined H. C. Wainwright & Co., 120 Broadway, New York City, members of the New York and Boston Stock Exchanges. He will be a member of the firm's field staff to specialize in public utilities.

Mr. Komosa has been with Tri-Continental Corporation since 1954 and, prior to that, was with Argus Research Corporation and with Chemical Bank and Trust Co.

Established in 1868, H. C. Wainwright & Co. has offices in Boston and New York and a research headquarters in Cleveland, Ohio.

Vanden Broeck, Lieber Co.

Effective May 29 the firm name of Alfred L. Vanden Broeck & Co., members of the New York Stock Exchange, will be changed to Vanden Broeck, Lieber & Co. Offices of the firm will be located at 125 Maiden Lane, New York City.

Electronics World-Wide Is Growing Very Rapidly

By Walter W. Slocum, *President, International Resistance Co., Philadelphia, Pa.*

Based on recently completed, six-week ten-country tour, Mr. Slocum reports on the extremely rapid development of electronics in most countries visited. He also is more convinced than ever on our need to be far more aggressive in keeping abreast of world-wide developments.

The electronics industry is making rapid forward progress, not only in the United States but in virtually all areas of the free world as well. This is my personal conclusion based on a six-week trip into 10 countries, which I have just completed.

Walter W. Slocum

My visit was not intended to be a full-scale economic investigation of these areas but rather as an opportunity to meet with our worldwide licensees and agents. Based on what I saw and on conversations with our affiliates as well as with others in industry, it seems perfectly safe to note that the area of electronics is generally being developed extremely rapidly.

Throughout Europe, the countries on my itinerary were all on the move, and appeared to be making important strides toward becoming industrially self-sufficient. This holds true for Australia, too, and for India to a lesser degree.

Keen competition was found everywhere, and the plants visited had high standards of cleanliness and maintenance in the production of electronic components. It is well to note here that Europe produces these goods at less than one-third of comparable American labor costs. Business conditions generally appeared excellent, with virtually full employment in all areas but particularly in Australia and Germany.

There seemed to be considerable evidence that quality and reliability are becoming increasingly important to these countries. Price is still a governing factor, but it appeared obvious that production standards are being upgraded sharply.

Keeping Abreast of Foreign Developments

I have returned to the United States more convinced than ever that the leaders of our electronics industry must be far more aggressive in keeping abreast of world-wide developments. We can no longer afford to sit back complacently, ignoring what goes on beyond our shore lines. Industrialization in the areas I visited is developing rapidly, and we can look forward to greatly increased competition from overseas as these countries do their best to close off foreign markets to us.

These are my thumbnail impressions of electronics activity as I saw it:

Australia—This country's future seems especially bright. Considering it has a very small population in relation to total area, terrific investments are being made in factories and in new products.

Denmark — Business conditions appear excellent, although the internal use of electronic products is limited by a rather low population. The great bulk of Denmark's output is for export to the various world markets.

England—The economy here is generally very good at the present time and little unemployment is evident. There is an increasing amount of activity along electronic lines.

France—Despite evidence that there is still some degree of political instability, conditions in this country seem to be excellent, with activity in electronics at a very gratifying pace. Extreme confidence was noted in talks with scientists and officials.

Germany — Industry in West Germany is increasing sharply, and there is expansion and increased productivity evident in many areas. The recent revaluation of the German mark appears indicative of the favorable outlook there.

Greece—There seems to be virtually no electronic equipment of any kind made in Greece. Most of what is imported comes in from Germany.

India—This country is awakening to the necessity for industrial development, but optimum growth may be delayed by the lack of foreign exchange for the purchase of equipment and by the lack of trained engineering and manufacturing talent. The inherent problems have been recognized, and production facilities now seem to be expanding somewhat. It is interesting to note, as one example of this country's tremendous potential, that only about 250,000 radio sets were produced last year for a population of well over 400,000,000 people. This works down to one radio per 1,600 people!

Italy — Business conditions are seemingly very favorable here. There has been rapid industrialization in electronics, and much notable progress has already been made.

Sweden—There is only a limited amount of activity in electronics here, and the country must be considered as just a small factor in the field at the present time.

Switzerland—The economy continues to enjoy a favorable climate, and the electronics industry is more than keeping pace with the country's growth. Business seems excellent at this time

Fuglestad With Lee Higginson

Arne Fuglestad has become associated with Lee Higginson Corporation, 20 Broad Street, New York City, members of the New York Stock Exchange, as syndicate manager. Mr. Fuglestad was formerly an officer of Burns Bros. & Denton, Inc. in charge of the syndicate department. Prior thereto he was with Carl M. Loeb, Rhoades & Co. and White, Weld & Co.

V.-P. of Arnhold & S. Bleichroeder

George A. Rosenberg has been elected a Vice-President of Arnhold & S. Bleichroeder, Inc., 30 Broad Street, New York City. Mr. Rosenberg has been in the firm's foreign trading department.

Business Trends

By Walter E. Hoadley,* *Vice-President and Treasurer, Armstrong Cork Company, Lancaster, Pa.*

Economist in the construction industry anticipates a 3 to 5% over-all business rise in the year ahead with a slower recovery for civilian durable goods. Business is alerted to the possible rise in international tensions and the need to have alternative policies in case developments necessitate greater regulation and control over business. Dr. Hoadley expects some inflationary consequences from the coming increase in government spending and deficits; is concerned about increased harassment of business; and comments on new and improved housing outlook.

The near-term business outlook can now be described in economic terms as definitely stronger with new all-time peaks just ahead—in terms of government actions and political developments as uncertain abroad and at home—and in psychological terms as precarious.

Walter E. Hoadley

Despite a great deal of unwarranted pessimism, the 1960 - 61 recession has proved to be the mildest on record. This is perhaps the best evidence that our economy is basically very strong. Encouraging signs of at least moderate improvement ahead are to be found on many sides; for example, rising employment and income, expanding orders and production, tapering off of inventory liquidation, and a pick-up in building activity.

Most expectations are that general business will rise 3-5% over the year ahead. It's quite possible the overall advance could even be larger. Since the recent business decline was quite small—about 2%—only relatively modest gains will be needed for the nation to set new all-time highs in most measures of economic activity. Recovery will be slower, however, in those industries and areas which are predominantly concerned with manufacturing durable goods, especially for civilian use. Postwar shortages of such goods are virtually non-existent, and demand is heavily dependent upon replacement needs for the next few years.

Consequently, the divergent trends within the economy which have been evident in recent years can be expected to persist, with services and related activities expanding strongly, soft goods showing moderate growth, and durables marked by some sluggishness. On balance, however, the upward course of the economy will resume with noticeable strength.

Business and International Tensions

Unsettled international conditions are causing more and more tension daily in relations between the western powers and the Communist bloc. The goal of Communist domination of the world has never been more clear, and there is little doubt that the political and economic attack on the United States will be intensified. While the possibilities of more heat in the cold war are impossible to assess in timing, it is almost certain that the future will be marked by a long series of dangerous incidents. Accordingly, domestic business prospects cannot be properly evaluated without full recognition that our government must and will give increasing attention to defense planning and spending.

Major news developments on the Communist front can now be expected at any time with counter-actions by our government and allies. In these increasingly tense circumstances, most business managements will find it wise to supplement their future plans with alternative policies to be followed at such time that an international development or a crisis prompts our government to invoke greater regulation and control over business.

Government Spending and Deficits

The President's program to stimulate domestic growth is so vast and complicated, as well as intermingled with rising defense needs, that it is exceedingly difficult to visualize which items have the highest priority and precisely what course of action will be followed. Nevertheless, it is quite evident that the role of government influence and spending is destined to grow over the coming year. Further budget deficits at a progressively higher rate seem inescapable with some inevitable inflationary consequences.

Sentiment usually changes much more sharply than changes in actual business conditions. This has been true during the past year, when politically as well as economically inspired pessimism often went beyond a level warranted by the facts. Looking ahead, there is now every indication that general confidence will continue to rise as business improves. There is, however, growing danger of excess buoyant psychology especially in the stock market, where little-known, over-the-counter issues already seem rife with speculation. Further improvement in business could easily aggravate this situation.

Business Confidence

A noticeable improvement in business management psychology is now easy to detect, reflecting a bottoming in the recession and increasing signs of gains ahead. There is, however, some management concern about intensified harassment of business by government. The recent wave of anti-trust threats and accusations, as well as indications of anti-business policies within some segments of the new Administration, already raises the prospect of less dynamism and risk-taking by business managements — a highly essential ingredient not only to profitable business growth, but even more important to sustainable, vigorous national growth.

Obviously, managements constantly under attack or threatened with reduced incentives and generally on the defensive cannot hope to be fully effective as a source of new ideas for growth and new investments to provide the jobs and increased efficiency needed to keep our economy strong and ahead of the Russians. It is to be fervently hoped that business fears toward government will prove unfounded and that business and government will be able to work still closer in meeting the serious challenge of overcoming Communism on all fronts while continuing to raise the living standards of our people.

Housing Industry

The new Administration's recognition that new-housing demand lacks a sound economic basis for a sharp increase during the next few years and its increased emphasis upon improvement of existing homes point to

an area where close cooperation between government and all interested private groups can bring about a major accomplishment significantly benefiting national housing conditions. While the President's housing legislation contains an all-encompassing program to increase new housing with substantial inflationary overtones, the significant feature of the recommended legislation is that it stresses the home improvement potential to a greater degree than ever before.

Many difficult financial, legal, and administrative problems must be solved before the quality of existing homes can be improved on the scale urgently needed. Nevertheless, the attention which the new Administration is giving to home improvement activity merits the closest interest of business leaders across the nation, and especially those who can lend technical know-how and direction to this very promising goal of achieving a major breakthrough in expanding home improvements.

In summary, the general business outlook is now more encouraging than for many months. In light of the economic, political and psychological conditions which seem likely to prevail, however, this is no time for business managements to relax. On the contrary, the need for new ideas and more ingenuity has never been greater.

*An address by Dr. Hoadley before the 41st annual conference of the National Association of Mutual Savings Banks, Philadelphia, Pa., May 1, 1961.

Auerbach, Pollak Adds Jennison

Auerbach, Pollak & Richardson, 30 Broad Street, New York City, members of the New York Stock Exchange, announce that Richard E. Jennison has become associated with the firm as director of its newly organized institutional research department.

Mr. Jennison is a former Assistant Vice-President of United Corporation where he specialized in technological investments, including electronics and electrical equipment securities. He is a member of the Electrical & Electronics Analysts Group, the New York Society of Security Analysts, the Electronics Industry Discussion Group, and the Institute of Radio Engineers.

Goodman Secs. Formed in N. Y. C.

David J. Goodman, formerly associated with Hourwich & Co., has announced the formation of Goodman Securities Corporation with offices at 80 Wall Street, New York City. The new firm will act as brokers and dealers in General market securities.

Mr. Goodman also stated that Goodman Securities plans to open an underwriting department in the near future.

Collin, Norton To Admit Two

TOLEDO, Ohio—Collin, Norton & Co., 506 Madison Avenue, members of the New York and Midwest Stock Exchanges, on May 25 will admit Philip LeBoutillier, Jr. and Carter Smith to partnership. Mr. Smith is in charge of the firm's mutual fund department.

Chicago Analysts to Hear

CHICAGO, Ill.—Bennett A. Cerf, President of Random House, Inc., will be guest speaker at the luncheon meeting of The Investment Analysts Society of Chicago to be held May 18 at the Midland Hotel.

Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

The attitude of investors and traders, as well as dealers, towards Government obligations continues to improve in spite of the opinion among some money market specialists that a return to the "bills only" type of open market operation is just a matter of time. They believe that by the end of the year, or the early part of 1962, the boom which they predict will be in full bloom, hence there will no longer be an "over-all" open market policy with its "nudging" operations in the longer end of the Government list. As against this kind of opinion, there are those who hold the belief that the current open market type of operation will be with us for a long period of time irrespective of what happens to the economy.

Volume and activity in all Government bonds is expanding, despite the continued heavy demand for common stocks.

Emphasis on Short-Term Borrowing

The money and capital markets continue to display a favorable tone because the interest of investors and, to an increasing extent, those of traders is growing as far as the securities in these two classifications are concerned. It is evident from the way in which the short-term obligations are being absorbed by those who have funds that can be put to work for only a limited period of time that not only the new money raising but also the refunding issues will be readily taken. And since the present pattern of monetary policy and the current debt management program both seem to favor the raising of new money and the refunding of maturities as they come due through the sale of near-term Government obligations, it would appear as though the short-term sector of the Treasury market should be pretty well supplied with this kind of security.

However, it seems from the prevailing opinions which are around as though there is still a limit beyond which near-term rates should not be allowed to go on the downside in order to not bring about again an outflow of the so-called "hot funds."

Discount Rate Cut a Possibility

In spite of some beliefs that near-term rates will go lower with the passing of time, it is not expected that this will take place unless the whole structure of interest rates is brought down and there is no danger of funds leaving here in order to obtain more favorable yields at other free world money centers. This would seem to mean that the discount rate is not likely to be lowered at this time. However, there are quite a few money market specialists who believe that the Central Bank rate will be cut in the not distant future and that this would not depress short-term rates too much.

It should be borne in mind, however, that a reduction in the Central Bank rate would have a very favorable psychological effect on both the money and capital markets. And the administration, according to all indications, should not look upon such a development as being adverse to what they are attempting to do in order to combat the unemployment situation.

Longer Governments Doing Well

The intermediate and long-term areas of the Government market continue to display a firm to improving tone, as more of these obligations, according to advices, are being taken out of the floating supply with the passage of time. It is the same old story, with the World War II $2\frac{1}{2}$s still being the favorites of both the investors and the traders. And it appears as though more of the trader type of operator is showing an inclination to pay greater attention to these middle term issues.

There seems to be nothing unusual about this demand for selected intermediate term obligations since the yield is satisfactory and there are prospects that at some future time, they will be involved in an advance refunding offer from the Treasury which could add to the attraction of such securities.

The longest Government bonds are also moving into the strong hands of investors as well as into the trading positions of dealers and those who are willing to move in and out in order to make an operation a profitable one.

It is reported that the 4s, the $3\frac{1}{2}$s and even the 3s have come in for a fairly important amount of position buying recently. This along with the commitments that are being made by the public pension funds (mainly) has cut down rather sharply the floating supply of these bonds.

Because of the growing beliefs which are around that the "over-all" open market operations will be more than a passing fancy there is an enlarging interest in Government bonds.

J. C. Stepp Forms Co.

WILLIAMSPORT, Pa.—John C. Stepp is conducting a securities business from offices at 721 Elmira Street, under the firm name of John C. Stepp & Co.

Purcell Partner Of Shields & Co.

Edward A. Purcell has been admitted as a general partner in the underwriting firm of Shields & Company, 44 Wall Street, New York City, members of the New York and American Stock Exchanges, it was announced by Paul Shields, senior partner.

Mr. Purcell was formerly a partner in the securities firm of Purcell & Co. and was a member of the American Stock Exchange for four years. He has been a member of the New York Stock Exchange for three years and will represent Shields & Company with a third membership on the New York Stock Exchange.

Gilligan, Will Company, Admits J. J. McLaughlin

John J. McLaughlin has become a partner in Gilligan, Will & Company, 86 Trinity Place, New York City, members of the American Stock Exchange.

The Securities Market and Interest Rate Outlook

By C. Richard Youngdahl,* *Executive Vice-President, Aubrey G. Lanston & Co., Inc., New York City*

Government securities dealer sees three-month Treasury bills fluctuating within the prevailing 2⅛ to 2½% trading range for next several months, and possibly rising over the fall and winter, on the basis of present business developments and financial situation. If this comes about, he adds, then yields on intermediates and long-terms have gone about as low as is likely in this business cycle. Addressing himself to the possibility that the Federal Reserve will be prevented from allowing interest rates to respond upward with business recovery, Mr. Youngdahl is hopeful the Fed will be left alone and that it will steer a midway course between the too timid 1955 approach and the too prompt action of 1958.

Yield Decline in 1960

About a year ago — in April 1960 according to the analysis of the National Bureau of Economic Research — the boom of 1959-1960 topped out and the economy began to slide into the recession of 1960-61. Recognition of this turning point, of course, did not become widespread until some considerable time after the event. The money and capital markets, however,


C. R. Youngdahl

anticipated the change in business direction by several months. In these markets the turning point was in January 1960. Both short-term and long-term yields broke sharply over the first half of last year.

While it can be said that the money and capital markets made the turn unassisted in January and early February of 1960, it should be pointed out that Federal Reserve policy was rather promptly shifted to support the change. For some months in late 1959 Federal Reserve policy had been maintained at about a constant degree of restraint. Shortly after the decline of rates began to develop, the System eased off the pressure on bank reserve positions. By April, the bank reserve deficiency had been cut by over half, and by June 1960, the deficiency had been eliminated. The discount rate was cut first in June and again in August.

If we bring ourselves back to the thinking of the time in early 1960, we can more easily appreciate the quality of the timing performed by our monetary authorities a year ago. Over the year end a great wave of bullish business sentiment had just rolled in, with glowing predictions covering what was then known as the "soaring sixties." Prosperity was world-wide, and prospects were generally considered favorable for most of the major sectors of our economy. The Federal Reserve System's recognition and response to the downturn that began last spring was extraordinarily prompt and courageous, particularly in view of the economic distortions introduced by the prolonged steel strike in the second half of 1959.

I believe that for their performance over the last full business cycle our Federal Reserve officials should now be regarded as minor national heroes. They should be applauded for having restrained us in our overexuberance in the boom of 1959, for having promptly cushioned our fall in 1960, and for having helped to keep our economic readjustment in 1960 and 1961 to minor proportions. I regret that instead they are being subjected to attack on suspicion of being unfriendly to growth and responsible for a 35 billion dollar gap of some kind.

The decline in the market yields on U. S. Treasury securities in the first half of 1960 was about as sharp as in the comparable period of any previous cycle. Yields on three-month Treasury bills fell from over 4½% in January 1960 to about 2¼% by mid-year. On intermediate-term Treasury securities, yields decline from about 5% to around 3½% during the same period. Long-term Treasury bond yields dropped from about 4½% to around 3¾%. In other trading markets, yields also declined significantly during this period, although not as sharply as in the U. S. Treasury market nor as rapidly as in 1958 when the fall in yields on corporate and tax-exempt bonds was extraordinarily precipitous. Mortgage rates, always slow to move in either direction, showed only a modest response in the first half of 1960, although there was an increase in the availability and some easing in the terms on mortgage credit.

Yield Stability Since Mid-1960

Mid-1960 has proved so far to be about the low point of yields for Treasury securities and for most other credit instruments with active trading markets. Since that time yields have fluctuated within a comparatively narrow band.

Over the second half of 1960 there was a strong demand for long-term capital on the part of state and local governments and especially of corporations. Mortgage credit was also in substantial demand. In the market for short-term credit the Treasury financed a small and largely seasonal deficit, there was some increase in private paper in the money market, and bank loans showed a moderate further increase. On balance, the period may be characterized as one in which credit was readily available, although at a price higher than in comparable periods of other recent business cycles.

The reluctance of the Federal Reserve since mid-1960 to press monetary ease by promoting a further drop in short-term yields further is now widely understood. By the middle of last year, our interest rates had fallen well below those in other major countries, where for the most part economic activity was being maintained at a boom pace. This development, together with our weak basic balance of payments situation and the rather extreme spending promises that are always a part of a major political campaign, sparked a huge flow of capital from the United States into the markets of other money centers.

About all that the credit easing actions of the Federal Reserve could be expected to do under these conditions was to supply sufficient bank reserves to promote some monetary and credit growth and to avoid the usual seasonal lift in short-term yields during the last quarter. In order to accomplish this while at the same time not aggravating the outflow of funds from this country, the Federal Reserve searched for ways to expand the availability of credit without also supplying a large amount of new funds to the short-term money market and driving these yields further out of line with those available abroad. Use of vault cash as reserves was one helpful device. It released funds for lending at a host of country banks without the likelihood of their finding prompt investment in the national money markets. Another harmless but probably not spectacularly successful device, was to modify open market operations to include the purchase of short-term Treasury securities other than bills, including issues in the 12- to 15-month maturity area where it was said that purchases were less likely to affect those yields most closely related to the international flow of funds and of gold.

I think it is fair to conclude that on balance the Federal Reserve did succeed in the second half of 1960 in making credit readily available while, at the same time, avoiding another round of declines in short-term interest rates that would have intensified our international financial problems. A primary byproduct of the Federal Reserve System's necessary caution in handling the short-term market has been a leveling off in intermediate-term and long-term rates since mid-1960. This leveling came in a period when domestic business considerations might have made it desirable to promote a further drop in such yields. There have been a number of forces underlying that development, however, and it is easier to appreciate the situation in the capital market today if we keep these in mind.

Investor Behavior and Attitudes

Last summer there developed a strong reluctance on the part of investors to extend the average maturity of their commitments in the capital markets. Indeed, there was a considerable amount of discussion concerning the desirability of cutting back on investment maturities, particularly of U. S. Treasury issues. Many investors began programs to bring such a reduction about, selling longer-term securities and investing in issues maturing in one, two, or three years.

Several basic factors seem to have been responsible for stimulating such thinking. First is the fact that although yields in the shorter-term market have been lower than in the intermediate- or longer-term areas, they have not been so low as to make a comparison with longer - term yields too odious. An investor has been able to cut-back, say, from the 10-year maturity range into the short-term market at a sacrifice typically of less than three-quarters of 1% in yield. By careful selection of issues it has often been possible, in fact, to do this and yet maintain current return and give up only a promise of a gain at maturity. Against this sacrifice the investor could offset the possibility that he might sustain price declines from present levels sometime before that maturity.

Beyond questions of yield relationships, however, there were liquidity considerations uppermost in the minds of a number of major investor groups. A great number of lending institutions have felt themselves to be short of liquidity in recent years. While our principal savings institutions have found adequate outlet in the long-term capital market for their new savings funds, almost none of them have been prepared to reduce liquidity now to supplement their current savings flow in order to invest in long-term securities. Current long-term yields are just not sufficiently attractive to pull out such money.

At commercial banks the primary need has been to rebuild liquidity following the sharp increase in loans in the previous boom. During that period banks were caught with large positions of what had been regarded in mid-1958 as temporary commitments in intermediate- and long-term Treasury securities. A surging demand for credit by private borrowers made it necessary for many banks to liquidate these holdings at substantial losses. Banks were not in a mood to repeat their 1958 mistakes in 1960, and they have remained cautious so far in 1961.

But the international constraints holding up short-term yields and the needs of investors to maintain and rebuild liquidity positions have not been the only factors holding back a sharp further decline in long-term yields. Generally, people have considered the current recession as an "inventory swing" that will reverse itself before many months have passed. In this country, few investors, few businessmen, indeed few economists have felt that this downturn would spiral into a prolonged slump or depression. For one thing, business abroad has continued to boom. Even the little hesitation in Britain last fall was widely and apparently correctly regarded as highly temporary. It has been considered only a question of time before an upturn developed in this country, and when that upturn would occur was typically evaluated in terms of the time it might take to pull inventories down to minimum operating levels.

Such was the background against which investors have refused to panic into huge programs of portfolio extensions. They have decided against drawing on existing liquidity positions in order to capture the prevailing longer-term yields because they have not anticipated a future shortage of demand for investment funds.

The factors that dominated the capital market in the second half of 1960 have continued to do so in the first four months of this year. Developments have, if anything, strengthened the widely-held concept that the business readjustment will be short-lived. Probably the only really new factor has been the Administration's attempts to talk down the longer-term interest rates and the entrance of the Federal Reserve on the same scene as a "nudger."

Business and Credit Outlook

The business recession seems to have hit bottom early in 1961. Movements of industrial production, new orders, sales, personal income, housing starts, employment, stock prices, and other indicators suggest in fact that an upturn may be underway. Business men and others seem generally inclined to expect things to improve further. There is, of course, some discussion and doubt as to the vigor of a future business pick-up.

Such doubts are understandable. It is typical of this phase of a business cycle that there never seems to be anything in prospect that promises to provide much thrust to business activity. Students of the business picture were generally not very bullish in the fall of 1949, or in late 1954, or in mid-1958. Yet business recovered sharply in the following six months. Again today economists, public officials, and many business men seem generally pessimistic about the vigor of the expected recovery. They may be right this time. But it would be unwise, in my opinion, to manage an investment portfolio on the premise that a majority opinion on the strength of a business recovery has much predictive value at a time such as this.

For purposes of coming to a broad judgment on future interest rate trends, however, all we need to agree on is the general direction of business activity. It is my own opinion that the recovery has

begun and that business will continue to improve in the months ahead. Recovery could be slow—but it could also be rather vigorous with a broad advance in most, if not all, sectors. Nobody knows which it will be, and there is no reliable technique for finding out except to wait and see.

Demand for short-term credit, from banks and from the money market, seems likely to pick up in the months ahead with a business recovery. We can be fairly sure that in the second half of 1961 the Treasury will be in the market to finance a growing deficit as well as seasonal needs. Treasury borrowing during that period could amount to 8 to 10 billion dollars, and some think it could be more.

Consumer installment credit has been declining in recent months as repayments on outstanding loans have been maintained at a high level while new extensions of credit have declined sharply. This is a typical development in the bottoming-out phase of the business cycle. Recent developments in auto and other durable goods sales suggest that a reversal of this pattern may be ahead. It is likely that an improved tone in the general business situation will be associated with a pick-up in consumer interest in durable goods purchases and a revival in demand for consumer credit.

Business demand for bank credit has lacked spark for some months, probably reflecting largely the inventory readjustment. A cessation of inventory liquidation would add some strength to business demand for bank credit. However, a vigorous resurgence in business loans at banks usually does not appear in the early phase of a business recovery. Such a development is rather to be expected later in the recovery period, perhaps late this year or in 1962.

In the longer-term credit markets the aggregate demand for funds has been fairly well maintained. Borrowing by states and municipalities has remained heavy right through the past year of readjustment, rather fully absorbing the money seeking such investment. There is no reason to expect this situation to change greatly in the period ahead. A heavy corporate program of long-term financing during the second half of 1960 was followed by a slack period in early 1961. More recently, however, corporate demand for long-term credit has increased again, reflecting in part a growing conviction that borrowing opportunities are now as favorable as perhaps they are going to be for some time. If this conviction spreads, as it well may, the corporate financing calendar may pick up even from current levels. Demand for mortgage credit has been fairly good, particularly for financing non-residential construction, although at present mortgages seem a bit lighter in supply than had been the case earlier. Recent recovery in housing starts should help to strengthen the demand for credit in this area later this year. The United States Treasury, on the other hand, has indicated that it does no intend to borrow in the long-term market. By avoiding that sector the Treasury hopes to promote lower long-term rates, with a consequent stimulus to private borrowing and capital spending.

Now what about credit supply? In the short-term market, of course, the most volatile source is the commercial banking system. The availability of bank credit has been promoted during the past year by an easy bank reserve position, and bank credit has expanded significantly during this readjustment period. It is reasonable to expect that the Federal Reserve will want to permit and even to encourage a further expansion in bank credit and deposits in the early months of business recovery. If things were to go according to past patterns, bank reserve positions might remain easy through next summer and possibly even into the fall. If by that time the recovery is solidly established and a substantial monetary expansion is underway, I would expect the monetary authorities to move away, from ease and at least to neutrality by permitting credit and deposit expansion to tighten bank reserve positions.

Interest Rate Prospects

On the basis of present business developments the condition of current credit markets, and the international financial situation, it seems unlikely that there will be much of a decline in short-term interest rates below the recent levels. Yields on three-month Treasury bills will probably continue to fluctuate within the prevailing trading range of 2⅛% to 2½% for several months. Over the fall and winter, however, we may experience some rise in yields in the money market.

If the foregoing judgment on short-term yields proves correct, then yields on intermediate- and long-term marketable securities have probably gone about as low as is likely in the current business cycle. At the present time funds available for such securities are finding adequate outlet. No material enlargement of these funds seems likely at current interest rate levels, at least as long as alternative outlets in equities and in rebuilding of liquidity positions rank high in the scale of investor preferences. On the other hand, a recovery in business should be accompanied by some increase in demand for long-term capital. Such an enlargement of demand, if it materializes, can probably be satisfied only at somewhat higher interest rates.

An exception may be in the mortgage credit sector and perhaps certain areas of private placement financing. The markets for such credit are by their nature somewhat compartmentalized geographically and in other respects, and lending rates have understandably been slower to move either down or up than yields on investments that are traded actively in highly organized national markets. Mortgage and certain private placement yields may show some further decline in the next few months before they stabilize and firm.

These are the conclusions on interest rates that I believe are indicated by what I would regard as ordinary market-type analysis. Some people are questioning, however, whether such old-fashioned analysis can be applied to the present interest rate outlook, even assuming a reasonable business recovery. They are concerned about what some believe to be the tinkering and lever-pulling proclivities of the current Administration, and the possibility—some would say the actuality—of political interference with the functioning of the Federal Reserve.

There is an uneasiness in the market about recent attempts to "talk" and "nudge" yields down, with an implication that Government power will be used in some vague way to bring this about if it does not otherwise occur. Even more important, there is a concern, in business and financial circles at least, that the Administration has a low-interest-rate bias and that it will attempt to impose that bias on the Federal Reserve, with inflationary consequences. Instructions on the operation of monetary policy already seem to be coming from members of the Council of Economic Advisers through public statements, if not in direct fashion. The Council and the Secretary of the Treasury have publicly said that our recovery will be slow and that monetary policy can be expected to be easy for a considerable period ahead. It is said that the Federal Reserve is in agreement with this point of view—I believe the words reported in one press account were that the Administration had reached a "common understanding" with the Federal Reserve Board on this matter. Certainly there is every reason to believe that agreement on current policy does exist. The question is, will an attempt be made to prevent the Federal Reserve from allowing interest rates to respond upward should business recovery advance later this year? Will there be a cry for big doses of monetary expansion well beyond the point when recovery has gotten firmly underway?

I am hopeful that when the time of decision comes that the Administration will fully recognize all the risks inherent in such a policy. Left alone, the Federal Reserve will, I expect, attempt to steer a policy course midway between the too timid approach of 1955 and the, perhaps, too prompt action of 1958, as we see these periods now with full benefit of hindsight.

*An address by Mr. Youngdahl before the Federal Reserve Member Bank Conference, Minneapolis, Minn., May 5, 1961.

Lundy Appointed By Broad St. Sales

CHICAGO, Ill.—Richard D. Lundy has been appointed district sales manager of Broad Street Sales Corporation, it was announced by Robert H. Brown, Jr., President. He will serve investment dealer accounts in the midwestern states.

Mr. Lundy was formerly Vice-President of Hugh W. Long & Co., Inc.

Talcott Forms Canada Affiliate

MONTREAL, Canada—James Talcott, Inc., the largest independent industrial finance company in the United States, and Industrial Acceptance Corporation, Canada's largest sales finance company, have announced the formation of a jointly-owned company, Industrial-Talcott Limited, to provide commercial financing, factoring, industrial leasing and other financial services to Canadian industry.

J. H. Ranahan Herbert R. Silverman

The new venture was announced by Herbert R. Silverman, President of Talcott, and J. H. Ranahan, IAC President. It brings together two of the most successful finance companies on the North American Continent.

Talcott, founded in 1854, processed more than $1,275,000,000 in receivables during 1960. The company has its headquarters in New York, with offices or subsidiaries in Chicago, Detroit, Boston, Atlanta, Los Angeles, San Francisco and Minneapolis. Affiliated financing operations were established in San Juan, Puerto Rico in 1958 and in Rome, Italy in 1960. The company offers a full range of industrial financing services, including time sales financing, rediscounting and equipment leasing.

Industrial Acceptance Corporation, the fifth largest sales finance company in the world, has assets of $600,000,000 and capital and surplus of $88,000,000. Its activities extend over a complete range of retail and wholesale time sales financing in both consumer and industrial fields. Its principal subsidiaries include a nationally operated consumer loan company and one of Canada's largest automobile and casualty insurance companies. The company and its subsidiaries operate through branches in 145 Canadian cities and towns.

Mr. Ranahan has been named President of the new firm. R. R. Campbell, Talcott regional Vice-President in Chicago, will be Vice-President and General Manager of the affiliate.

Directors of the new Canadian company will include four officers from each parent firm. Representing Talcott, in addition to Mr. Silverman and Mr. Campbell, will be James Talcott, Chairman, and Francis Moscrop, financial Vice-President. IAC officers on the Board, in addition to Mr. Ranahan, will be G. E. Wemp, IAC Chairman, J. B. Pennefather, Executive Vice-President and J. H. L. Ross, Vice-President and General Manager.

Industrial-Talcott Ltd. will operate throughout Canada. Its headquarters office will be Montreal.

AS WE SEE IT

Continued from page 1

true role of gold in banking existed even when the gold standard was in full effect virtually the world over. All too often it was supposed by the rank and file—and unfortunately also by a good many who should have known better—that somehow the soundness of the condition of any banking system was to be determined by the amount of gold held and the ratio of such holdings to liabilities of one sort or another. The fact is, of course, that the condition of any bank or any banking system is fixed by the type of assets and the nature of the liabilities of that system — all its assets, not merely that part of them consisting of gold or claims on gold. This was true even in the days when banks actually owned gold and not only could, but were required to pay it out on demand. It is even more the case today.

It is true, of course, that the yellow metal played a highly important part in the banking systems of the world in years gone by, and even under the drastically changed conditions — and despite all the apparent efforts of the New Dealers to free themselves from what they regarded as the bondage of gold—it still has a significant role to play. Let there be no misunderstanding about that, but also let it be clearly understood that the really vital matter concerns the nature of the assets and liabilities of the banking system and various other closely related matters. The present situation and the train of events which brought it into being illustrate rather than cast doubt upon these truths.

There has, as is well known in informed circles, been a trend of thought for a good while past against all fixed reserve requirements—that is requirements fixed by law. Doubtless, the proposal now brought forward suggesting the removal of the 25% reserve requirement would have been heard and ardently advanced at some time or other in any event, but there can be little doubt that it receives most of its support now from the fact that in the relatively recent past we seemed to be in danger of losing gold to the point where the 25% reserve requirement might become embarrassing to the authorities. The pressure at least for the time being appears to have lifted, so it is said, and therefore the reserve requirement can be removed without exciting suspicion and possibly greater demand for our gold from abroad. Doubtless there are those who will feel that we have removed a danger to our banking system by eliminating the requirement before another possible "run" on our gold develops.

Unfortunate Attitude

This is obviously an unfortunate attitude. It may be true that we could give up gold with less immediate embarrassment once the reserve requirement is eliminated, but that is not nearly as important as the fact—if it became a fact—that conditions had been permitted to develop which led to a further persistent demand for our gold. The really basic trouble is not in the loss of gold as such but the existence of conditions which tend to lead to its loss. Some rather timid and tentative steps have now been taken to remove the conditions which led to the loss in the recent past. It is, however, far from clear that they go nearly far enough. Much more needs to be done to place our international financial position upon a really sound footing.

The *sine qua non* of a basically better state of affairs in this respect is a marked improvement in our competitive position in the world of industry and trade. The problem is, of course, not merely that our exports are limited by higher costs and that imports are artificially encouraged. Steps which would enable our manufacturers to reduce their costs significantly would tend sharply to reduce the export of our capital where such export is now a result of artificially induced ability to produce abroad more cheaply than is possible here at home. The export of capital where it occurs in response to natural causes is, of course, not to be discouraged; where arbitrary restrictions and other conditions imposed upon home producers induce the export of capital is quite a different story.

We Must Set Our House In Order

If changes in the reserve requirements imposed upon the Federal Reserve System in any way lessen the realization that our vital job remains to be done, or in any way reduce the pressure for its accomplishment, the result of the change will be very harmful. The mere fact that should foreigners want more of our gold again we should be able to let them have it without embarrassment to the Reserve System would in no way lend any strength to our international financial situation. Whatever we may do about the reserve requirements of the Federal Reserve System, it is still essential that we place our house in order generally.

First Continental Planning

First Continental Planning, Inc. has been formed with offices at 130 West 42nd Street, New York City, to engage in a securities business. Officers are Leonard Axelrad, President; Nelson Axelrad, Vice-President, Secretary and Treasurer. Both were formerly associated with Continental Planning Company.

Lind Opens Branch

JEFFERSONVILLE, N. Y.—S. J. Lind has opened a branch office on Main Street under the direction of Kurt Abramczyk.

Connecticut Brevities

Republic Foil Inc. of Danbury, a producer of aluminum foil, has entered into an agreement to acquire Consolidated Bag & Foil Corp., Somerville, Mass., which will be operated as a division of Republic. Consolidated is believed is be the largest manufacturer of foil insulated ice cream bags in the country. The company also laminates foil and paper for building insulation and processing into consumer products. Acquisition of Consolidated will assure Republic of a new outlet for foil rolled in Danbury as well as further integration, product diversification and an entrance to consumer markets, according to a statement by Mr. John W. Douglas, Republic's President.

* * *

A traffic safety film produced by **Aetna Casualty & Surety Co.** of Hartford has been named best in its field in two separate national film competitions. "To See Ourselves" is the third of Aetna's films to win a citation from the National Committee for Films on Safety. "Outboard Outings" won in the general safety category last year and "Look Who's Driving" was named top highway safety film of 1953. "To See Ourselves," a 15-minute color movie filmed on Hartford streets, shows the motorist how he looks through the eyes of his fellow drivers. In October, The National Safety Congress will also present an award to Aetna for this safety movie.

* * *

Merger of **Housatonic Public Service Co.** into **Connecticut Light & Power Co.**, headquartered in Berlin, became effective May 1. Housatonic's electric franchises in the Danbury area and its gas franchises were added to C. L. & P.'s territory. The electric business in Ansonia, Derby and Shelton was sold to **United Illuminating Co.** of Bridgeport. In its hearings on the merger, the Connecticut Public Utilities Commission concluded that more integrated utility systems would result and accepted the claims of the companies involved that economies and improved service to customers would be realized.

* * *

Pitney-Bowes Inc. of Stamford, manufacturer of postage meters and mailing machines, has agreed to acquire **Underwood Corp.** of Hartford's West German subsidiary, Adrema - Werke G.m.b.H. Adrema, whose main plant is in West Berlin, produces addressing machines and business systems equipment and markets its products in most industrialized countries in the world with the exception of the United States and Canada.

* * *

Perkin-Elmer Corp. of Norwalk is developing infrared instrumentation for a U. S. Army project identified as the Terrain Analyzer. The purpose of this project is to equip aircraft with instruments to permit accurate and immediate surveying of the ground below by monitoring the infrared reflectance values of the terrain. If proved militarily feasible, this system could be adapted to commercial uses, leading to more effective exploration for oil and minerals as well as more comprehensive map making.

* * *

Dictograph Products Inc., manufacturer of hearing aids and other electronic devices, has announced that its headquarters and main plant will be moved from Jamaica, N. Y., to Danbury. A modern, 50,000-square-foot plant, formerly occupied by Manning, Maxwell & Moore, will be the center of Dictograph's operations, which also has plants in Rhode Island, New Jersey, Canada and England.

* * *

Pratt & Whitney Aircraft division of **United Aircraft Corp.** of East Hartford will manufacture about 160 turbofan engines for 30 jet transports to be acquired by Trans World Airlines from Boeing Airplane Co. The planes will be designed especially for P. & W. A.'s JT3D-3 engine, now undergoing certification by the Federal Aviation Agency. The new turbofan engines will give the planes greater range and speed with smaller fuel consumption than conventional turbojet engines. Turbofan engines differ from the turbojet in the addition of a series of fanlike blades which increase the engine's thrust. Last month a jet transport powered by Pratt & Whitney Aircraft turbofan engines set an unofficial distance record by flying non-stop from Long Beach, Calif. to Rome, Italy.

Parker, Eisen New Firm Name

KANSAS CITY, Mo.—Announcement has been made of the merger of Piersol, O'Brien & Adams Inc. into Lucas, Eisen & Waeckerle Inc., and the change of the corporate title to Parker, Eisen, Waeckerle, Adams & Purcell Inc. The firm, member of the Midwest Stock Exchange, is an underwriter and distributor of municipal and corporate bonds, stocks, and mutual funds. Its offices are now located in remodeled quarters on the ground floor at 1012 Baltimore Avenue.

Named Director

John C. West, a partner of Brown Brothers Harriman & Company, private bankers of New York, was elected to the Board of Directors of Howe Sound Company, metals manufacturer, at the Annual Stockholders Meeting of the company held in Lancaster, Pa., May 3.

Forms Albert James Co.

BRIDGEPORT, Pa. — Albert J. Digiacomo is conducting a securities business from offices at 106 Dekalb Street under the firm name of Albert James Company.

Forms Inv. Co.

BROOKLYN, N. Y.—Jonas Greenwald has formed Family Financial Planning Co. of America, with offices at 22 East 92nd Street, to engage in a securities business.

Japan Eases Inv. Regulations

The Japanese Government's decision to further ease restrictions on foreign investments was seen as encouraging greater participation by American investors in Japanese securities, according to Tsunao Okumura, Chairman of the Board of Nomura Securities Co., Ltd.

The announcement by the Japanese Minister of Finance that dividends and interest paid on securities held in non-resident deposit accounts may now be repatriated immediately in dollars or other convertible currencies, was hailed by Mr. Okumura. This amendment to Japan's Foreign investment Law and Foreign Control Law rescinds a May 1 amendment which stated that dividends and interest could not be removed from non-resident deposit accounts.

A non-resident deposit account may be used as a depositary by a foreign investor who sells his Japanese securities before the expiration of the mandatory two-year holding period. Prior to the enactment of the May 1 investment law a foreign investor had to wait five years before he could get the full proceeds of his sale of Japanese securities.

Funds in a non-resident deposit account are freely transferrable by sale or otherwise to other non-residents of Japan. These funds may be used to purchase corporate bonds having a maturity of two years or longer, or to purchase other Japanese securities. Funds may also be used for a non-resident's living expenses in Japan and expenses in connection with administering investments in Japan.

Mr. Okumura pointed out that this liberalization of the law dealing with dividends and interest repatriation for non-resident deposit accounts will permit a greater flow of capital between the two countries and attract investors the world over to the great possibilities of the burgeoning Japanese economy.

Potter Instr. Common Sold

Bear, Stearns & Co. and associates offered and sold on May 16, 210,000 shares of Potter Instrument Co., Inc. common stock at a price of $10 per share.

Of the total number of shares offered, 190,000 shares were offered by the company and 20,000 shares by John T. Potter, President of the company. Following the sale of the stock, Mr. Potter will hold 86.2% of the outstanding common shares.

Net proceeds from the sale of its 190,000 shares of stock will be used by the company to retire bank loans incurred to finance accounts receivable and inventories, and for carrying increased amounts of these items. It is expected that a portion of the proceeds will be used to step up the company's product development and tooling, and the balance of the proceeds will be added to working capital and used principally for research and development.

Potter, of Plainview, Long Island, New York, designs and manufactures certain electronic data processing equipment, including high speed digital magnetic tape transports and systems, high speed digital line printers and listers, magnetic recording and playback heads, high speed photo-electric perforated tape readers, and magnetic tape testers for commercial and military applications. These products are used in electronic computers, industrial controls and data reduction equipment, and military information systems.

THE MARKET . . . AND YOU

BY WALLACE STREETE

Once again the market proved that there's nothing sacred about the old highs. Tuesday and Wednesday it cracked through the peak set a month ago and to the Street the conclusion was inescapable: Higher prices are coming and the 700 area on the Dow will soon become familiar territory instead of a mysterious high ground.

With steel production hitting its best levels in almost a year and auto sales for the first third of May showing a welcome improvement, at least two of the economy's biggest stumbling blocks appeared to have been cleared.

In hurdling these former obstacles the market dragged along a variety of supplier and fringe industries. The railroads, whose carloadings are so dependent on heavy industrial operations, were prime beneficiaries. An expected improvement in the sale of metallurgical coal was a natural outgrowth and was cited by many analysts as good reason for investing in the companies that mine the fuel.

Electric utilities are likewise helped by any uptrend in general business activity — and such an uptrend was certainly apparent after weeks of prognosticating by the new Washington economic corps.

Caught in between all this fact and conjecture were the copper stocks, responding to good industry news of their own. Anaconda led the way boosting the price of the red metal to 31 cents a pound, the second one-cent hike of the year.

Coals and Airlines Attract the Chartists

Chartists refused to sit by idly while all this business talk dominated the tapewatchers. Technically some like the coal stocks, others the airlines. The air carriers strength was in fact one of the major standouts of the past two weeks.

American Airlines management, joined by other industry spokesmen, was talking pessimistically only two months ago. The major domestic trunklines are in trouble, said the industry experts, and government will either have to step in and help or abandon the regulatory business altogether.

Delta stood out as a carrier with a cheerful future, and its stock continues to outperform the group. Its jet line starts service around June 11 on the reportedly lucrative trans-continental route from Northern Florida and key Southern cities to the West Coast. In contrast with most others in the troubled industry, it should show profits of about $3,600,000 for the year ending June 30, against the $2,800,000 reported in fiscal 1960. Actually 1960 was a bad year for Delta, with heavy jet integration costs clipping profits in the face of revenues headed for the heights.

Eastern Air Lines was another good performer. Chartists liked its look recently when it cracked through the 30½ "breakout point," but now the trade is talking about the apparent popularity of its New York-Boston-Washington commuter service.

To many observers this latter development points up one of the real weaknesses of air travel: The passenger is turning to low-price "coach" travel instead of the higher-profit margin first-class flights. This has led some trade sources to predict that big domestic trunklines—as a group—will chalk up their results with a red crayon this year.

The contrast comes in some of the no-frills airlines. Seaboard & Western (now Seaboard World) is a prime example. Its President Richard M. Jackson has been one of the backers of combined freight-passenger service across the Atlantic. Cargo travels with passengers now, of course, but in "belly" compartments. He's hoping the regulators will allow the line to turn Seaboard's new CL-44s into freight planes with passengers added.

A swing tail would allow automatic loading of cargo on pre-filled pallets. A partition would be put up when the heavy stuff was tied down and the rest of the space would go for pallets with seats attached. The traveler would have a window, restroom facilities, but that's about all (no meals, champagne, or the like in a $133 flight from New York to London).

The larger haulers, such as Seaboard and Pan American, are believed to be the biggest beneficiaries of this week's I.A.T.A. agreements at the closed-door meetings in Montreal. Generally the U. S.-flag carriers wanted lower freight charges at various "breaks" — those points where rates are set (say 100 pounds, 500 or a thousand). Shippers would be encouraged to send bigger quantities by air if they saw real bargains at these break points.

In general some "belly cargo" operators, mainly Europeans, were opposing the rate cuts. The domestic industry, says the foreign lines, are afraid they might lose the small but lucrative cargo business to the bigger, all-freight, American carriers.

Lag in the "Glamours"

While the financial men spent most of their time investigating these and other "depressed" market situations the glamour stocks naturally suffered. A feeling was apparent that some of the zing had left the bowling business.

Still reports persisted of some industrial companies enviously eyeing the business now controlled by American Machine & Foundry and Brunswick.

As officials of the American Bowling Congress pointed out it often takes a year to push through the testing and accreditation of a new pin-setting device. The "bugs" in these highly-mechanized improvements can take a real bite out of profits when the new systems are introduced.

Ignoring of the glamour stocks will be a temporary phenomenon, Wall Street believes. Too many analysts still hold out "leisure-time" and glamour electronics equities as the surest bets of the space age; and the public continues to scurry after what it believes to be bargains, or those stocks with dramatic growth appeal in scientific industries.

The American Exchange's Investigation

Some of the lure of low-priced stocks has been tarnished by the government investigation of the American Stock Exchange. Traders are wondering if this newly-found disillusionment will carry over into the much bigger, much livelier over-the-counter market. One theory is that the Big Board may actually benefit from the smaller exchange's troubles.

Just last Friday the American Stock Exchange's volume actually topped the turnover on the Big Board.

Perhaps now, brokers muse, some of the money funneled into the increasingly popular A.S.E. will now return to the big exchange at Broad and Wall Streets. If speculation is still the public's main interest, then the Big Board's low-priced stocks will certainly attract a lot of buyers. This development is being regarded as a fair test of the extent of the new speculative fever.

[The views expressed in this article do not necessarily at any time coincide with those of the "Chronicle." They are presented as those of the author only.]

Hoppin Bros. to Admit Partner

On June 1 James F. Stebbins will be admitted to partnership in Hoppin Bros. & Co., 120 Broadway, New York City, members of the New York Stock Exchange.

Forms F. D. Hays Assoc.

MONTGOMERY, Ala.—Frank D. Hays & Associates, Inc. has been formed with offices in the David Building to engage in a securities business. Officers are Frank D. Hays, Jr., President; J. T. Hays, Vice-President; and A. W. Mathews, Secretary. Mr. Hays was formerly with Southern Investment Securities Inc. and Universal Securities Corp.

Three Named to Board Of Two Funds

WASHINGTON, D. C.—George M. Bunker, of Washington, D. C.; Dan A. Kimball, of Sacramento, Calif.; and John E. Parker, of Washington, D. C., have been elected to the Advisory Boards of Atomics, Physics & Science Fund, Inc., and Shares In American Industry, Inc., it has been announced by Merle Thorpe, Jr., Chairman, and Newton I. Steers, Jr., President, of the two mutual funds.

Mr. Bunker has since 1952 been Chairman of the Board of The Martin Company, leading missile producer (Titan, Mace, Bullpup, LaCrosse, Pershing). He is a Director of Nuclear Corporation of America, The Bulova Watch Company, The Florida Capital Corporation, and The American Security & Trust Company, Washington, D. C.

Mr. Kimball, President of Aerojet-General Corporation, was Secretary of the Navy from 1951 to 1953. Aerojet-General is the largest manufacturer of rocket propulsion systems for major missiles and space vehicles in the United States.

Mr. Parker is a Director of Slick Airways, Inc., The Martin Company, National Savings & Trust Company, Washington, D. C., and Walker & Dunlop, Inc., Washington, D. C. He was formerly President and Chairman of the Board of Engineering Research Associates, Inc. After that company's acquisition by Sperry Rand Corporation, he was Vice-President of its Univac Division.

Hubert R. Sweet

Hubert R. Sweet, media director at Doremus & Co., and a specialist in radio and television media work, New York financial and corporate advertising agency, passed away May 10 at the age of 51.

Blyth & Co. Adds

George E. Adamy has become associated with Blyth & Co., Inc., 14 Wall Street, New York City, in the industrial research dept.

Sec. Planners Opens

(Special to The Financial Chronicle)

BOSTON, Mass.—Edward J. Katz is engaging in a securities business from offices at 122 Bowdoin Street under the firm name of Security Planners Associates.

Why Compound the Injustice To Nation's Shareholders?

By Walter Maynard,* Chairman, Federal Taxation Committee, Investment Bankers Association of America, and Partner, Shearson, Hammill & Co., New York City

I. B. A. spokesman strongly opposes proposed elimination of the $50 exclusion and the 4% dividend credit. Terming this discriminatory treatment against stock investors and a consequent threat to domestic capital formation, Mr. Maynard refers to the fact that 28 countries treat dividends more liberally than we do and that this affects our economic competition. Mr. Maynard abjures double taxation of dividends as generally unfair, and specifically unfair to tax shareholders subsequent to 1954 until the elimination of the dividend credit and exclusion were this to be done.

The Investment Bankers Association is made up of some 800 firms, located in all sectors of the United States. These firms, in addition to their main offices, have about 1,900 registered branch offices. The members of this Association conduct a large proportion of all the securities business in the United States. A very large part of this business represents the security transactions of this country's 15 million shareowners.

Walter Maynard

Of the present total of about 15 million shareowners, it is estimated that about 11 million have annual family income under $10,000. These are the people who are providing a steadily increasing share of the equity capital needed by our growing country, and these are the people who are most hurt by double taxation. The justification for increasing a basic discrimination against them at this time by eliminating the $50 exclusion and the 4% dividend credit, as proposed, is hard to see.

The investor in corporate stocks is penalized today, despite the small measure of relief granted by the Revenue Act of 1954, by a substantial measure of double taxation, in that earnings of corporations are taxed twice; once when earned by the corporation and again when received in the form of dividends by the stockholder.

Unfair Taxation

The present situation is that for the ordinary investor the tax system is not neutral. A man who invests directly, say $10,000, in a business or apartment house, earns 6% on this investment, and is in a 30% income tax bracket, retains $420 on his $600 income. If, however, he invests in a corporation which earns $600 for his share, there remains after the 52% corporate tax $288. If half of this sum is assumed to be paid to the stockholder in dividends, and he pays personal tax at a 30% rate, there remains to him from the dividend $101.80, in addition to which there is $144 retained for his share by the corporation. The effect of the $50 exclusion and the 4% credit is that there remains to him directly or indirectly, after taxes and credits, $292.04. This is $127.96 less than if he owned the property or business directly. This $127.96, which is equivalent to an *additional* tax of 30%, may be regarded as over-taxation, or unfair taxation.

In our modern economy most citizens cannot make direct investments, and they therefore must turn to securities. Moreover, American business could not obtain the equity capital needful for growth if it were not for the willingness of the American people to save, and to invest a part of these savings in dividend-paying common and preferred stocks. Fair treatment of small stock buyers should therefore logically be an important element of national policy.

In placing the provision for the $50 exclusion and the 4% credit in the 1954 Act, the Congress rightly took the position held until 1936 that double taxation of corporate income was a basic injustice, and a modest step was taken to correct it. The fact that now a loss of revenue may result from a change in another sector of the tax law does not seem to be an adequate reason for accentuating an existing bad situation; rather, it would seem not too soon to consider further means of dealing with the problem of over-taxation as a measure of equitable tax reform. Certainly the proposal to drop the credit and exclusion cannot be called "reform" even if the present mode of relief, like other possible methods, is not perfect. Incidentally, in considering the situation that existed in 1936 when relief from double taxation was first omitted, the salient circumstance is that the lowest rate of personal tax was 4% and the corporate rate was 15%.

Denies Upper Income Group Gains

It has been said that the existing scheme is especially favorable to upper bracket taxpayers. Upper bracket taxpayers get exactly the same relief—$50 plus 4%—as do lower bracket taxpayers. The effect of the credit, even in the case of high bracket taxpayers receiving a high proportion of income in the form of dividends, is merely to reduce slightly the steepness of the progression in the income tax scale. In the case of low bracket taxpayers, however, the degree of relief in relation to dividend income is greater because of the $50 exclusion constitutes a higher proportion of dividend income.

It has been said that the dividend credit and the exclusion have failed to encourage capital formation through equity investment. The record does not indicate that this is so. The present estimated total of 15 million shareowners contrasts with 7.3 million shareowners in 1954. It is true that many factors in addition to the dividend credit and exclusion have played a part in accelerating the rate of increase in share-ownership, but it is evident that to eliminate the credit and the exclusion would tend to lessen the appeal of stocks in contrast with other forms of investment and therefore act to discourage financing by means of sales of equity securities. Upper bracket taxpayers especially might well be lead to an increasing preference for tax-free bonds.

A matter that might be considered at this point is the fact that all buyers of dividend-paying securities since 1954 have bought them under circumstances of a yield increment reflecting the credit and exclusion. To reduce or eliminate the credit and exclusion now would work a hardship on these buyers, especially in the case of yield-type securities such as preferreds and guaranteed stocks. If the credit or exclusion were to be eliminated it would seem only fair to make the elimination applicable only to securities issued in the future, and/or to holders of securities who acquired them prior to 1954.

International Considerations

The question of remedying the basic injustice of double taxation should also be viewed in a somewhat broader context. To begin with, international considerations must bulk continuously larger in all our economic decisions, and our economic competition must be effective at every level, including our ability to mobilize equity capital. Other major industrial nations in which relatively high income taxes are relied on for a substantial proportion of government revenues provide in one manner or another for a very substantial degree of relief from the double taxation of corporate earnings. Canada utilizes a method of relief similar to ours, but the credit since 1953 has been 20% instead of our meager 4%. England uses a "grossing-up" system considerably more complex than ours that provides a larger degree of relief than does ours. Other countries granting such relief include West Germany, Japan and France. There are 28 countries in all which treat dividends more liberally than the United States.

An even more important consideration is that our whole Federal revenue system is basically keyed to the income tax, and the successful working of this system depends upon a high degree of compliance on the part of taxpayers. This compliance is to a considerable extent voluntary, and in order to assure taxpayer cooperation, taxpayers must be convinced that, generally speaking, the income tax system is a fair one. Double taxation of dividends is a glaring unfairness in our income tax structure, of which an increasing number of taxpayers are becoming aware as share-ownership grows.

The foregoing considerations would seem to make it certain that any rational and equitable program of tax reform contemplated for the future must include a provision for a measure of relief from double taxation. It would therefore seem unwise to drop at this time as a matter of opportunism a small measure of relief which will have to be restored at a later date as a matter County Auditor, will receive seale of basic justice.

*A statement made by Mr. Maynard before the House Ways and Means Committee, Washington, D. C., May 11, 1961.

Josephthal Office

HOLLIDAYSBURG, Pa. — James D. Angus is representing Josephthal & Co. from offices in Hollidaysburg.

With California Investors

FRESNO, Calif. — Carl M. Smith has been added to the staff of California Investors, 566 Olive Avenue.

Calif. Investors Add

LOS ANGELES, Calif. — B. Jackson Sherrill has been added to the staff of California Investors, 3932 Wilshire Boulevard.

Lynch & Banks Add

Lynch & Banks, municipal bond brokers, 111 Broadway, New York, have announced that Harold Gerhardt Groll is now associated with their firm.

Calif. Investors Adds

LONG BEACH, Calif.—William C. Swatsell has been added to the staff of California Investors, 4376 Atlantic Avenue.

Two With Calif. Inv.

PASADENA, Calif. — Edward B. Burns and David W. Yates have become affiliated with California Investors, 690 East Green Street.

Munic. Bond Club Field Day June 9

The Municipal Bond Club of New York will hold its 28th annual feld day on Friday, June 9, at the Westchester County Club, Rye, N. Y. Reservations should be made by June 1 with Harry W. Faath, Jr., Marine Trust Co. of Western New York. Tariff is $40.

Golf, horseshoes, swimming, bridge, tennis and softball are scheduled. The Club will also hold its annual meeting during the day.

A copy of *The Bond Crier* will be distributed to members and guests at the outing. Additional copies may be obtained from William Simon, Weeden & Co., at $1 each.

Members of the field day committee are:

Committee Organization: Alfred J. Bianchetti, J. A. Hogle & Co.

Chairman's Committee: Theodore P. Swick, White, Weld & Co.

Arrangements: Donald Breen, Glore, Forgan & Co., Chairman; Wilson D. Lee, Continental Illinois National Bank & Trust Co.; Charles V. Smith, Clark, Dodge & Co.; and Joseph B. Wise, J. A. Hogle & Co.

Announcements: William S. Shanks, *The Bond Buyer;* James F. Reilly, Goodbody & Co.; and Arthur R. Guastella, *The Bond Buyer.*

Finance: Harry W. Faath, Jr., Marine Trust Company of Western New York, Chairman; Walter W. Niebling, Merrill Lynch, Pierce, Fenner & Smith, Inc.; and Paul H. Voigt, Wm. H. Morton & Co. Inc.

Prizes: Chester W. Viale, L. F. Rothschild & Co., Chairman; David H. Callaway, Jr., First of Michigan Corp.; William E. Simon, Weeden & Co.; Daniel P. Whitlock, Ladenburg, Thalmann & Co.; Berger Egenes, Merrill Lynch, Pierce, Fenner & Smith, Inc.; and Joseph G. Cross, Jr., C. J. Devine & Co.

Sports: Edmund G. O'Leary, Eastman Dillon, Union Securities & Co., Chairman; William D. Muller, Halsey Stuart & Co., Inc.; William M. Durkin, First National Bank of Chicago; Harold Young, Equitable Securities Corporation; Raymond H. Heiskell, C. F. Childs & Co.; and William H. Moser, James A. Andrews & Co.

Daily Bond Crier: John P. Byram, Northern Trust Company, Chairman; David G. Coogan, Phelps Fenn; William M. Durkin, First National Bank of Chicago; Berger Egenes, Merrill Lynch, Pierce, Fenner & Smith, Inc. Francis P. Gallagher, Jr., Wm H. Morton & Co., Incorporated; Brenton W. Harries, Blue List Publishing Co.; Eugene E. Kelly, Jr., Carl M. Loeb, Rhoades & Co.; Wilson D. Lee, Continental Illinois National Bank & Trust Company; William E. Simon, Weeden & Co.; John G. Thompson, Morgan Guaranty Trust Company; and Norman E. Wright, Jr., Northern Trust Company.

Coburn, Middlebrook Brch.

MIAMI, Fla.—Coburn & Middlebrook, Incorporated has opened a branch office at 235 Northeast Seventy-ninth Street under the management of E. Stacey Hallam.

Estate Funding Branch

SAN FRANCISCO, Calif.—Estate Funding Corporation has opened a branch office at 1255 Post Street under the direction of Walter Long.

William, David Branch

William, David & Motti, Inc. have opened a branch office at 222 West 23rd Street, New York City, under the management of Stan Bard.

SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

Improving Efficiency In Sales and Office Procedures

As the business volume increases, it is important that every method of improving the communications system between the clerical, trading and sales departments of an investment firm is used to their utmost. Many mistakes are made because simple, common sense procedures are not followed religiously by everybody. This applies to the salesman and the people who help him process his orders after he obtains them. Unless everyone in a busy office understands that rules and regulations are made for the benefit of the entire organization, there will always be a few people who will neglect to do their job properly.

Make a Survey of Your Problems

If you are having communications problems and your staff is making too many errors, hold a meeting of your department heads. Before you do this, ask them to make a list of their major "bottlenecks," and the things that other people ARE NOT DOING that could be changed to help them do their job more effectively. Give them several days advance notice of this meeting and tell them to come prepared to offer their suggestions. Then try and co-operatively work out better ways of doing things. Include your sales manager in this meeting, by all means, and if possible he should hold an advance meeting with all the salesmen, and ask them for constructive suggestions that he can then offer to the rest of the organization.

Don't let these meetings develop into a "gripe" session. Their purpose is to improve operating efficiency for all, so that everyone will derive benefit, through the elimination of unnecessary errors and improved service to clients.

Some Specifics

If you are having difficulty keeping track of "indications" received from salesmen regarding new issues, and the salesmen are also uncertain as to the exact status of the amount, time entered, and any other facts causing arguments and complaints to arise at a later date when the issue finally comes to market possibly your system of record-keeping is at fault. Place one man in charge of "indications." If he is not available there should always be a second man to receive them. Accept no verbal "indications" from salesmen. Make a simple form that they can fill out in duplicate. It should have a line for the name of the issue, managing underwriter (if available), amount requested, date, salesman's name. One copy should go to the executive in charge, and he should then transfer this information to his record book and keep the original copy of the salesman's request in his file. He should initial the salesman's copy and return it to him. The salesman should retain his copy in a folder marked "Indications." When and if there is an allotment, there will be no question as to who said "what." The record is there in writing.

If members of your cashiering department are coming to your salesmen at their desk, or at other times, and asking them to follow up some slow delivery of securities, a late payment, or to obtain a needed stock power, instead of using their time which is often wasted while waiting for a salesman to finish a telephone call, or some other important matter, use a WRITTEN FORM.

In the first place, salesmen need all their powers of concentration when they are talking with customers and should not be disturbed by others unless something very important arises. Salesmen who need reminders to follow clients who may be in violation on deliveries and payments, should receive a memo from the cashier's department listing the customer's name, amount involved, and the security bought or sold. It should be the salesman's obligation to follow up and notify the cashier's department on the **same form** the results of his call to the customer. All he need write should be a brief comment such as "Check in mail," "Customer ill, send check tomorrow," "Stock Power mailed to customer who will sign and return," etc.

Reduce Unnecessary Talk

Nearly every person, at one time or another, is guilty of talking "too much." Sometimes we talk because we feel we must relieve ourselves from inner tensions. Another cause of useless conversation is that all of us let our "ego" get a bit out of hand once in a while. Our own world is always important to us but it is not very important to others; and often our affairs when related to others are not only boring but also annoying. When you and your office associates are relaxed; if you are having lunch together, or a cup of coffee, or a "break" for a few minutes, then it is an entirely different situation. A good laugh, a well-told joke, or even a short tale of your own "woes" won't be out of order

But if you rush up to your busy order room, or your trader when he is busy on the phone, or your cashier, margin clerk, or anyone else that is trying to concentrate on the completion of an important task, and you confuse them by an interruption that can either be written and handed to them, or by waiting until they can talk with you, then you are making it difficult for yourself and everyone else. But, worse still, if you try to inject some needless and useless social conversation into such a situation then you are being unfair to your associates.

If you can write it, do it briefly, and leave it with the proper person, who should follow through. Respect other people's time, their work, and their capacity to work with you. None of us are perfect, but an office that makes rules and lives by them gets more work done with less strain and everyone benefits.

Robert C. Ortwin Now With Paine, Webber

(Special to THE FINANCIAL CHRONICLE)

BEVERLY HILLS, Calif.—Robert C. Ortwin has become associated with Paine, Webber, Jackson & Curtis, 424 North Camden Drive. Mr. Ortwin was formerly local manager for J. A. Hogle & Co.

With Hayden, Stone

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif. — Vernon C. Badham has become connected with Hayden, Stone & Co., 5657 Wilshire Boulevard. He was formerly with Francis I. du Pont & Co. and Merrill Lynch, Pierce, Fenner & Beane.

Elected Director

Charles A. Capek, has been elected to the board of directors of Midwestern Instruments, Inc. Mr. Capek is a Vice-President of Lee Higginson Corporation.

Complete Stock Sale for United International Fund

First Bermuda-based open-end investment company formed for over-seas investment receives $22,800,000 proceeds from the public sale of 2,000,000 shares of its common stock. Chauncey L. Waddell, Chairman of United International Fund, Ltd., receives a check for this amount from Robert C. Johnson, underwriting partner of Kidder, Peabody & Co., representing the investment bankers who sold the stock to the public. Left to right are: Dudley F. Cates, a Vice-President and director of the fund; Mr. Waddell, Mr. Johnson, Harold L. Bache, senior partner of Bache & Co., and Alfred Rhett duPont, senior partner of Francis I. duPont & Co. The fund, which is the first Bermuda-based open-end investment company ever cleared for public sale in the United States by the Securities and Exchange Commission, was created to provide investors seeking long-term capital appreciation with a portfolio of over-seas securities, particularly of industrial and service companies in western Europe, Great Britain, Canada and other countries of the British Commonwealth. The fund's investment adviser has a contract with Compagnie Financiere de Suez (formerly the Suez Canal Company) which provides that the facilities of its research department will be available to the fund. When the Suez Canal was seized by the Egyptian Government in 1956, the contingency reserves built up by the company and invested elsewhere in the world enabled it to continue operations as a purely investment and financial corporation. Today Compagnie Financiere de Suez is one of the largest investment companies in Europe.

Youngdahl Is Talcott Dir.

C. Richard Youngdahl, Executive Vice-President and a Director of Aubrey G. Lanston & Co., Inc., dealers in U. S. Government and Federal Agency securities, has been elected a Director of James Talcott, Inc., the country's largest independent industrial financing company. James Talcott, Chairman, and Herbert R. Silverman, President, reported that Mr. Youngdahl's election increases the number of Talcott directors to 12.

Associated with the Board of Governors of the Federal Reserve System from 1943 to 1954, Mr. Youngdahl served as Assistant Director of the Board's Division of Research and Statistics prior to joining Lanston in 1955.

Form Central Charge

WASHINGTON, D. C. — Central Charge Service, Inc. is engaging in a securities business from offices at 620 Eleventh Street, N. W. William J. Shear is a principal of the firm.

Beckman Opens Branch

TURLOCK, Calif. — Beckman & Co., Inc., has opened a branch office at 111 South Broadway under the direction of E. J. Soderstrom.

First Columbus Branch

CHILLICOTHE, Ohio—The First Columbus Corporation has opened a branch office at 131 West Main Street under the management of C. David Fullen.

Getting Tomorrow's Transit Today: San Francisco Story

Continued from page 4

the subject would not get rapid transit on the rails. The committee was divided between those who thought that the engineering aspects of rapid transit should be decided first while there were those who felt the method of financing should be of primary consideration. Fortunately the dilemma was decided by spending the $5,000 on legal talent to draft amendments to the enabling act in order to establish a body politic.

The amendments were submitted during the 1951 session of the California State Legislature. However, geographic rivalry prevented their adoption. As a compromise a new amendment to the enabling act was approved creating a San Francisco Bay Area Rapid Transit Commission composed of 26 members to be appointed by the Governor and Boards of Supervisors of the nine counties.

The Commission was charged with the responsibility of studying and investigating the rapid transit problems of the San Francisco Bay Area and to report back to the State Legislature in 1953. Fifty thousand dollars was appropriated by the Legislature to carry out the Commission's work.

The firm of De Leuw, Cather & Co. was retained as consultants. The Commission rendered its preliminary report Dec. 30, 1952.

The net result of the preliminary report was the approval of a legislative act in 1953 appropriating $400,000 to carry out the recommended studies as outlined in the preliminary report. The appropriation was made with the understanding that the nine counties would attempt to raise an additional $350,000, which they subsequently did.

The life of the Commission was extended to 1955 and again to 1957.

During its life the Commission conducted its affairs as a public agency. Soon after its creation it employed the engineering firm of Parsons, Brinckerhoff, Hall & MacDonald to prepare a co-ordinated rapid transit plan for the nine Bay Area counties. Their findings and recommendations were included in an outstanding report entitled "Regional Rapid Transit" transmitted to the State Legislature in 1956.

As a second step in developing a plan for regional rapid transit, the Stanford Research Institute was employed to prepare a study on the practicable means of financing the capital costs of the regional rapid transit plan recommended by the engineering consultants. Their final report followed that of the engineering consultants by two months.

The regional rapid transit plan envisioned a conventional electric rail supported rapid transit system to be constructed in three stages. The first to cost $716,500,000, the second $112,500,000 and subsequent extensions $716,000,000, or a total of $1,545,000,000. Some latitude in the first stage was offered depending upon a trans-bay sub-aqueous tube or use of the San Francisco - Oakland Bay Bridge. The roadbed would at times be in a subway, in a cut and in some areas elevated.

The financial study covered passenger fares, property taxes, bridge tolls, retail sales taxes, gasoline taxes and the possibility of Federal or state aid as methods of paying for the proposed system.

Extensive hearings were held throughout the nine counties to enable the Commission to obtain at first hand the reactions of the electorate.

The next step taken by the Commission was to draft enabling legislation to carry out the recommendations of the engineering and financial consultants as amended by suggestions gleaned from the public hearings.

Early drafts of the legislation were submitted to the city attorneys, district attorneys and county counsels of the nine counties. The Attorney General's office assigned an Assistant Attorney General to the Commission to polish up the details. The final draft was submitted to the State Legislature in January 1957 and the act after many amendments was signed by the Governor on June 11, 1957. The San Francisco Bay Area Rapid Transit District came into being Nov. 14, 1957 comprising five counties, namely, the city and county of San Francisco and the counties of Marin, San Mateo, Contra Costa and Alameda.

The Commission terminated its studies by rendering a final report to the State Legislature in December 1957 and quietly went out of business after finding a depositary for its voluminous files and records. Thus, after eight years, a co-ordinated rapid transit plan for the San Francisco Bay Area was a reality, with only finalization of the preliminary studies necessary before submitting the package to the five counties for their ultimate decision. Estimates were that this would take about three years and the current target dates of the District indicate that this will be met.

The dissolution of the Commission ended my active part in rapid transit affairs, although I have continued to serve the District Board as Chairman of their Advisory Committee on Fiscal Affairs.

IV

San Francisco Bay Area Rapid Transit District

To complete the San Francisco Story I should like to recount some of the financial provisions of the Transit District legislation as well as some of the problems that moulded the final revisions. They may help other areas in "Getting Tomorrow's Transit Today."

The first source of funds was an appropriation of $5,000 by the Board of Supervisors in 1949. This was followed by an appropriation of $50,000 by the State Legislature in 1951 and $750,000 by the State Legislature and the nine counties in 1953. The latter enabling legislation contained a provision that the $350,000 appropriated by the state for the Commission was to be repaid out of the proceeds of the first sale of any bonds by the District plus interest at the rate of 1½%.

The Rapid Transit District coming into being in 1957 had no funds. However, provisions were contained in the act to remedy this.

To provide the *de novo* District with operating funds a provision of the act authorized temporary borrowing based on a tax for general administrative and preliminary expenses of the District of not to exceed five cents ($0.05) on each one hundred dollars ($100) of assessed valuation of taxable property in the District. The money could be raised either through tax anticipation notes or by direct loans from any of the five counties comprising the District.

The five-county District has a 1960-61 assessed valuation of $4,784,673,312 and a population of 2,592,904. The tax rate of the District was 1.7c in 1958-59, 3.9c in 1959-60 and 1.7c in 1960-61.

Legislative changes in the original act included the dropping of Solano, Sonoma, Napa and Santa Clara counties as the areas felt rapid transit was too far off for them to assume any financial burden.

Authority to borrow on general obligation bonds was reduced to 15% of the assessed valuation from 25%.

Sales tax provisions were deleted and a companion bill authorizing a constitutional amendment to tap highway gas tax funds for rapid transit died in committee.

Submission of the final plans to the Boards of Supervisors of the five counties for public hearings and unanimous approval prior to submission of a bond issue to the electorate for a vote was included to insure legislative support.

Majority approval of the bond issue was amended to require a two - thirds approving majority vote.

There were other minor changes but in effect the act was essentially intact. It specified no form of transit and it provided that the District could be merged or consolidated with any other public agency. Further provisions included annexation and withdrawals from the District and set a term of five years from the creation of the District for a bond issue to be submitted and a method of dissolution if unsuccessful in passage of a bond issue.

The act included all of the usual provisions necessary to the District's operations and included a variety of methods of financing improvements including revenue bonds, equipment trust certificates and special assessment securities.

The act was amended slightly in 1959 and there are several technical changes incorporated in proposed amendments currently under consideration by the Legislature. The principal one being to permit the District to levy a tax for debt service as soon as bonds are issued and sold rather than to capitalize interest during construction. Elimination of this provision will enable the District to increase its bonding capacity for construction, although some taxpayers would probably prefer the transit system to be in operation before a tax bite.

While it is not my intention to discuss the engineering details, it is necessary to point out that Parsons, Brinckerhoff, Quade & Douglas were employed by the District together with Tudor Engineering Co. and Bechtel Corp. Smith, Barney & Co. and Stone & Youngberg were employed to complete the financial aspects of the final plan.

Two important engineering reports were completed supporting the feasibility of an underwater tube from San Francisco to Oakland and a rail crossing of the Golden Gate Bridge.

One very important financial assist was made possible by state legislation and Federal legislation authorizing the California Toll Bridge Authority to construct the underwater tube and rent it to the District. This represents about $127,000,000. The latest price tag on the system as currently planned amounts to $1,025,000,000 approximating the first stage of the original plan.

During the District's existence the Key System trains ceased operating across the San Francisco Bay Bridge. The tracks have been removed and the former area converted for use of automobiles, trucks and buses. This has necessitated re-doing some of the structural work to balance the increased weight as well as converting the former train terminal in San Francisco to a bus terminal.

Recognizing that the District's bonding capacity was less than the cost of the system as planned, excluding the trans-bay tube, every effort has been put forth to find ways and means to make up the difference. There has been some hope the Golden Gate Bridge and Highway District might do as the California Toll Bridge Authority has done. Meanwhile, Federal and state aid have not been ruled out in view of current legislative developments.

An interesting side issue has been the recommendation of the Golden Gate Authority Study Commission. The Commission was formed to determine the feasibility of merging the Bay Area's bridges, ports, airports and transit facilities under one metropolitan government. Recommendations indicate that if and when the proposed transportation commission comes into being, it will study absorption of the Rapid Transit District. There is nervousness on the part of some rapid transit advocates, who feel that the Transit District has a mandate from the Legislature as well as the component counties to complete its objective and should not be faced with "changing horses in mid-stream." Probably the root of the concern rests on the tapping of San Francisco-Oakland Bay Bridge and Golden Gate Bridge revenues. Competition for these funds might change the financing plans of both the Rapid Transit District as well as the Golden Gate Transportation Commission. However, supporters of the commission plan stress that there can be no conflict as they strongly support the District's program for rapid transit.

V

Concluding Remarks

I believe I have touched on almost every phase of mass rapid transit except the most intimate engineering and legal details.

From my review "The San Francisco Story" I hope that I have been able to express the deep concern of the citizens of the great San Francisco Metropolitan Bay Area as they have tackled the problems of mass transit. I also hope that I have conveyed some of the enthusiasm and drive which Bay Area residents have shown in their efforts to find solutions to the many obstacles of providing a truly regional mass rapid transit plan.

In the months ahead the final decision will rest upon the mature judgment of the responsible Board of Supervisors and in turn the electorate of the District. I have every confidence their answer will be affirmative in "Getting Tomorrow's Transit Today" for the San Francisco Metropolitan Bay Area.

*An address by Mr. Browne before the Railway Systems and Management Association Conference, Chicago, Ill.

Gen. Investors Names Officers

General American Investors Co., Inc. announced a change in top management positions in the company. It accepted the resignation of Frank Altschul as Chairman of the Board and of Harry G. Friedman as President. Both will remain as members of the board. Mr. Friedman will also continue with the company in the capacity of consultant.

Elected as Chairman was Arthur G. Altschul. Malcolm B. Smith was elected President.

Mr. Altschul, a son of Frank Altschul, had been a Vice-President and is a director of the company. He is also a general partner of the investment banking firm, Goldman, Sachs & Company.

Mr. Smith, who had been Vice-President and Secretary of the company and who also is a director, has been with General American Investors since 1948.

Vercoe Opens Branch

NEWARK, Ohio—Vercoe & Company has opened a branch office at 22 North 2nd Street under the management of Clark A. Noles, Robert G. Powers and William Y. Meade.

PUBLIC UTILITY SECURITIES

BY OWEN ELY

United Utilities, Inc.

United Utilities is a holding company operating principally in the middle west. It controls 14 telephone companies, one electric, gas and water utility, seven propane gas companies and one LP gas transport company, and a utility merchandising company. The telephone properties, with annual revenues of $42 million, constitute the second largest independent telephone system in the U. S. (General Telephone being the largest). Electric revenues approximate $3 million, propane about $2 million and gas nearly $1 million. Virtually all the common stock of subsidiaries is owned by United Utilities or a sub-holding company, except for a minority interest of about 8% in Central Kansas Power Company.

System headquarters are in Abilene, Kan., with an executive office in Kansas City. Telephone properties are located in Oregon, Washington (with two operations in northern California); in a middle west belt of 10 states; and in Pennsylvania, New Jersey and the Carolinas. The propane properties are in southern Illinois. System properties of various types are located in some 500 communities in 16 states.

Telephone revenues increased 11% last year, patrially due to rate increases. However, an important factor was the continuing rapid conversion of exchanges to an automatic dial basis, as follows:

	Year Ended December 31				
	1958	1959	1960	*1961	*1962
% Conversion to Automatic Dial	44%	68%	75%	91%	100%

*Estimated.

Automatic dialing usually results in increased telephone usage; in some states conversion permits an automatic rate increase; and labor costs are also reduced. The telephone properties are also benefiting from increased use of long-distance service, the expansion of TV and other special communications, etc. There are micro-wave installations in four states, and the system is doing some defense work on networks for radio surveillance, retaliatory direction and missile launchings, etc.

While the propane business is less important than other operations (1960 revenues of $1.6 million were stated as "gross profits on propane and merchandise sales"), the outlook for further development seems quite promising—the 1960 report of United Propane stated: "Although propane gas is sold primarily for heating purposes, United is constantly seeking new markets in order to increase sales. In 1960, for instance, United Propane scored a first in the state by successfully introducing 'Flame Cultivation,' a process whereby liquid petroleum gas is used to burn extraneous growth without disturbing the crop or top soil. During the same period, the company increased its volume of L-P gas motor fuel sales by 69% over the preceding year as compared with a national average increase of 6%. It is contemplated that new products and developments for propane gas, properly promoted, will create sizable new markets, for propane use. The introduction of such markets, together with increasing industrial usage, will also stabilize the operation by minimizing seasonal fluctuations."

Capitalization of United Utilities at the end of 1960 was as follows:

Consolidated Basis:	Millions	Percentage
Long-term Debt	$86	59%
Preferred Stocks—Subsidiaries	5	3
Minority Interest—Subsidiaries	1	1
Common Stock Equity	54	37
	$146	100%
Parent Company Only:		
Sinking Fund Debentures	$18	29%
Common Stock Equity (5,121,430 shares*)	44	71
	$62	100%

*Adjusted for recent split.

United Utilities has enjoyed remarkable growth, with revenues almost quadrupling since 1950, due to the acquisition of new companies as well as the growth of utility operations. Northwest Telephone Company, with 5,000 telephones, was acquired in July, 1960. Columbia Utilities and its subsidiary, California-Oregon Telephone, was obtained in June, 1958; and in 1957 several utilities were acquired including Oregon Washington Telephone Company. Judging by its share earnings record the company was successful in acquiring these companies on a favorable exchange basis. The record in the past seven years has been as follows (all figures adjusted for split.):

Year	Earnings Share	Dividends	Approximate Price Range	% Earned on Net Property
1960	$1.20	*$0.80	28 - 19	6.3%
1959	0.98	0.68	22 - 14	6.1
1958	0.82	0.63	16 - 10	5.3
1957	0.77	0.63	12 - 10	5.4
1956	0.82	0.60	12 - 10	5.5
1955	0.86	0.59	12 - 10	5.5
1954	0.73	0.55	10 - 9	5.3

*Present indicated rate.

General Telephone & Electronics made an offer to acquire United Utilities through an exchange of stock, but this was rejected late in 1959 on the ground that the offer was inadequate. It appears unlikely that it will be renewed.

The earnings outlook for the next two or three years appears generally favorable. Telephone usage is expected to grow as a result of continuing conversion to automatic dialing, and such gains usually continue for a year or so after the transition is made. Share earnings for 1961 have been projected in a range of $1.33-$1.40, based on the sharp gain in net income in the early part of this year.

The stock was split 2-for-1 earlier this year. At the recent price around 28 over-counter, and based on the increased dividend rate of 80 cents, the stock yields 2.8%. The present price-earnings multiple approximates 23 times 1960 earnings and less than 21 times the estimate for 1961. Considering the rate of growth in earnings, the multiple seems warranted as compared with similar or higher ratios for some other telephone stocks.

Newbury Nominated for President N. Y. State Bankers Association

The Nominating Committee of the New York State Bankers Association has submitted the following slate of officers to fill the executive posts of the NYSBA. Elections will be held at the Association's 65th Annual Convention at Lake Placid, New York, June 14-16, 1961. The Association represents the commercial banks of New York State and has associate members which include investment banking houses, savings banks, the Federal Reserve Bank of New York and various out-of-state institutions. These out-of-state institutions are located in Pennsylvania, Illinois, Massachusetts, Alabama, Connecticut, New Jersey, Puerto Rico, and Canada.

George A. Newbury

Selections of the Committee for officers of the Association for 1961-62 are:

For President: George A. Newbury, President, The Manufacturers & Traders Trust Co., Buffalo.

For Vice-President: Clarence M. Brobst, President, Chemung Canal Trust Co., Elmira.

For Treasurer: Arthur S. Hamlin, President, The Canandaigua National Bank & Trust Co., Canandaigua.

Selections of the Committee for Members-At-Large on the Association's Governing Body, The Council of Administration are:

Cyril G. Kress, Vice-President, Lincoln Rochester Trust Company, Rochester.

Roger D. Sidford, Senior Vice-President, State Bank of Albany, Albany.

Dey C. Demerest, President, The Bellport National Bank, Bellport.

George A. Murphy, Chairman of the Board, Irving Trust Co., New York City

Wallis B. Dunckel, President, Bankers Trust Co., New York City.

The Nominating Committee, which represents banks from various geographical areas in New York State, includes:

Hollis E. Harrington, President, State Bank of Albany, Albany.

Joseph J. Grubs, President, The Sullivan County Trust Company, Monticello.

Richard S. Perkins, Chairman, Executive Committee, The First National City Bank of New York, New York City.

Donald M. Elliman, President, The Bank of New York, New York City.

Jerome W. McDermott, President, The Peninsula National Bank of Cedarhurst, Cedarhurst.

Charles C. Hauser, Executive Vice-President, Bank of Westbury Trust Company, Westbury.

Irving L. Eyles, Executive Vice-President, The Rondout National Bank of Kingston, Kingston.

Chester F. Millhouse, President, The Manufacturers National Bank of Troy, Troy.

James D. Heffernan, Senior Vice-President, Lincoln National Bank & Trust Co. of Central New York, Syracuse.

Hubert Watson, Vice-President, The Watertown National Bank, Watertown.

H. K. McQueen, President, The Endicott National Bank, Endicott.

Stuart L. Gifford, Vice-President & Cashier, Glen National Bank of Watkins Glen, Watkins Glen.

William Krier, Assistant Vice-President, Security Trust Co. of Rochester, Rochester.

William S. Gavitt, Assistant Cashier, The Lyons National Bank, Lyons.

Ralph W. Stoddard, President, Bank of Buffalo, Buffalo.

Henry N. Page, President, The First National Bank of Perry, Perry.

P. W. Glenn With Musekamp Co.

CINCINNATI, Ohio — Paul W. Glenn has become associated with G. H. Musekamp & Co., Carew Tower, members of the Cincinnati Stock Exchange. Mr. Glenn who has been in the investment business for many years was formerly in the Trading Department of S. D. Gracison & Co. and prior thereto was with Edward Brockhaus & Co. in the municipal and corporate trading department.

Paul W. Glenn

Penn. School Authority Bonds Being Marketed

Drexel, Harriman Ripley, First Boston, Kidder, Peabody Group Offers $24,580,000 Issue

Drexel & Co., Harriman Ripley & Co. Inc., The First Boston Corp. and Kidder, Peabody & Co. are joint managers of the group that offered publicly on May 17 an issue of $24,580,000 State Public School Building Authority, Commonwealth of Pennsylvania, 6, 5½, 3¼, 3.40, 3½, 3.60, 3.70, 3¾ and 1% school lease revenue bonds, series E, at prices to yield from 1.40% for those due Nov. 1, 1961 to 4.25% for the 1% bonds due 1999-2000. The group was awarded the issue at competitive sale on a bid of 98.0178.

The State Public School Building Authority, a body corporate and politic, was created in 1947 by an act of the General Assembly of the Commonwealth of Pennsylvania. Under the act, the Authority is empowered to construct, improve, maintain and operate public school buildings and furnish and equip them for use as public schools. In order to accomplish these purposes, the Authority is authorized by the act to lease, as lessor, projects to local school districts and to charge and collect rentals sufficient to provide for the payment of the expenses of the Authority not provided for by appropriation of the Commonwealth.

The bonds are rated AA by Standard & Poor's.

MUTUAL FUNDS

BY ROBERT E. RICH

Down Memory Lane

A long-time devotee of the legend and lore of the financial community, we treasure a framed picture that hangs on the wall alongside our typewriter. It is a gift out of the long ago from Waller & Co., which shows prices on the New York Stock Exchange on May 8, 1876, when the house was starting out in the brokerage business

Of the 21 key stocks shown, only Western Union (the most active on turnover of 46,550 shares) and Union Mining were non-transport issues. The rest are familiar enough to any railroad buff—names like New York Central & Harlem, Illinois Central, Union Pacific, Rock Island and Erie.

Another sentimentalist, *Forbes*, the business magazine, has now advanced us one-third of a century to 1909 to recall the top 20 stocks of that day. The change from 1876 is complete, featuring such names as United States Steel, Standard Oil Co., American Tobacco, International Mercantile Marine, International Harvester, Amalgamated Copper, Central Leather, Pullman, American Sugar Refining and U. S. Rubber. They were the top ten.

Here in 1961, the change is remarkable. Big Steel, of course, is very much around, although now it is only the third biggest company in terms of assets, whereas it was far and away the biggest in 1909. Standard Oil was broken up in 1911 and one of its components, Standard Oil Co. (New Jersey) has top rank among industrial companies. American Tobacco was broken up also in 1911 and there isn't a single tobacco issue among the 20 biggest industrial firms. No. 4 ranked International Mercantile Marine was reorganized as U. S. Lines and is today a going concern but hardly a titan. Much the same is true of International Harvester.

As for Amalgamated Copper, it is now known as Anaconda. Central Leather is Keta Oil & Gas, which is in liquidation. Pullman withdrew from the sleeping-car business and thrives today as a diversified maker of railway rolling stock, truck trailers and capital goods for the oil and chemical industries.

Such modern-day kingpins as General Motors, du Pont, Gulf, Ford, Texaco, International Business Machines and Westinghouse Electric either were unknown or non-existent in 1876 and 1909.

The point of all this memory meandering is that the blue chips of yesteryear have been known to slip or even fade and disappear. Thus, only four of 1909's top companies are represented among 1961's top 20: General Electric, Big Steel, Standard of Jersey, which survived the court breakup, and Bethlehem Steel, which took over 1909's Lackawanna Steel.

In Wall Street, at least, the record of the past is no sure guide to the future. During the years between 1909 and 1961, the purchasing power of the dollar has slipped to around 32 cents. This means that an investment would have had to triple its dividends and value merely to protect the purchasing power of the investor. Less than half of the stocks in the top 20 of 1909 could have achieved for the individual investor even this modest goal. Such giants of 1909 and 1961 as U. S. Steel and U. S. Rubber would have attained only modest purchasing power growth for persevering stockholders.

This delving into the archives of American industry and finance has prompted a shrewd comment from the Franklin Almanac, which is published by Franklin Distributors, wholesale distributor of Franklin Custodian Funds: "Hoarding stock certificates is chancy at best. Investing is an active, not a passive affair and it takes study and effort to keep pace with the changes which will produce another, quite different list of top 20 corporations in 1970, 1980 and so on. Professional management would by definition appear to have a better chance of picking these future leaders than the 'do-it-yourself' investor."

And with the pace of the new technology, we wouldn't be surprised if the kingpins of another generation are even now being dealt in on the smaller exchanges and the counter market. But we would be surprised if our professional investment managers weren't hunting for them day and night.

The Funds Report

Centennial Fund Inc. reports that during the quarter ended April 28 it eliminated from its portfolio American Cyanamid, Borg-Warner, General Electric and Granite City Steel. Commitments in Foremost Dairies and Statham Instruments were reduced. Holdings of Beckman Instruments and American Telephone & Telegraph were increased through exercise of rights. A larger investment in the toy industry was effected through purchase of 2,000 additional shares of Eldon Industries and 10,600 shares of Mattel Inc. (a new commitment).

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Bache & Co., manager of a group of dealers soliciting deposits of a broad list of common stocks in tax-free exchange for shares of **Devonshire Street Fund Inc.**, announced that the deadline for accepting deposits of these common stocks has been extended through June 12. Stating that the prospectus has been amended to permit solicitation of deposits through June 12, Bache & Co. said: "The purpose of this extension is to provide an opportunity for further increases in what are already very satisfactory and sizable deposits." The investment firm said there would be no extension beyond June 12.

Devonshire Street Fund Inc., a diversified mutual fund with 4,000,000 authorized redeemable shares, earlier this year offered its $1 par value common shares to investors in exchange for common stocks of the general nature of more than 325 listed in the prospectus, or other securities acceptable to the fund. The offering price of the fund's shares was $12.50, the net asset value of the shares at the date of issue.

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Fidelity Fund Inc. reports that at March 31 total net assets were $449,731,396, or $17.32 a share. This compares with $373,293,107 and $14.90 a share a year earlier.

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Raymond T. Smith, President of **Life Insurance Investors, Inc.**, announces that, at the annual meeting on June 7, the Board of Directors will consider the declaration of a 100% stock dividend payable on July 12 to stockholders of record June 21. If the dividend is declared, $1 for each new share issued will be transferred from paid in surplus to the capital stock account.

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Lexington Income Trust reports changes in its portfolio for the first half of its fiscal year, ended April 20:

New purchases included Emery Air Freight, Fedders Corp., Robertshaw-Fulton Controls, Seaboard Finance, Royal Dutch Petroleum and American Radiator & Standard Sanitary. At the same time it increased holdings of Interstate Department Stores, Penn Dixie Cement and Ranco. The company during the period eliminated Ingersoll-Rand, Combustion Engineering, Minute Maid, U. S. Rubber, Baltimore Gas & Electric, Lone Star Gas and Pacific Telephone & Telegraph.

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Total net assets of **Pioneer Fund Inc.** for the three months ended March 31, were $47,392,686 and net assets per share were $9.79, both figures representing new highs, Philip L. Carret, President, reported. At Dec. 31, 1960, assets aggregated $41,695,272 while net asset value per share was $8.59, which was 14% below the March 31, 1961 figure, Mr. Carret pointed out to shareholders.

"In the first quarter of 1961 four holdings were eliminated—American Express, Associated Dry Goods, General Reinsurance by sale of our entire position at what seemed fairly generous prices, Cleveland Worsted by payment of a final liquidating dividend," Mr. Carret reported. Holdings of eight other stocks were reduced in some degree, he added, stating that the net result of all these sales was the realization of substantial long-term capital gains.

Pioneer Fund made four new commitments in the initial quarter, including 11,900 shares of Bendix Corp. and 5,000 shares of Leesona Corp., and added to its positions in 10 common stocks, one by exercising rights, two by receipt of stock dividends and seven by additional purchases.

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T. Rowe Price Growth Stock Fund Inc. reports that at March 31 total net assets amounted to $48,694,680, or $15.95 a share, against $29,782,457 and $13.19 a share a year earlier. Ten largest holdings at latest report were, in this order, Avon Products, International Business Machines, Reynolds Tobacco, Philips Incandescent Lamp Works, Pepsi-Cola, E. I. du Pont de Nemours & Co., American Telephone & Telegraph, Scott Paper, Magnavox and National Lead.

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Assets per common share and investment assets of **Tri-Continental Corp.**, were at record levels at March 31, according to the company's first-quarter report for 1961. Net investment income also was up for the first three months. Assets per common share rose 12% to $55.12 at March 31 from $49.15 at the start of the year and compared with $46.85 12 months earlier, Francis F. Randolph, Chairman, and Fred E. Brown, President, reported. Assuming the exercise of all warrants, per share asset value passed the $50 mark for the first time and stood at $50.21, up from $44.88 at Dec. 31, 1960, and $42.77 at March 31 of last year.

Investment assets were $459,346,840 at March 31, up $46,965,227 from $412,381,613 at the start of the year and "the highest quarter-end total in the corporation's history. The increase in assets for the most part was accounted for by appreciation in the market value of Tri - Continental's investment holdings," the executives said.

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United States & Foreign Securities Corp. reports net assets as of March 31 amounting to $103,649,917, equivalent to $33.95 per share on the 3,310,815 shares of stock outstanding before providing for the Federal income taxes in controversy, and $31.31 per share after such provision. At the corresponding date last year net asset value was $106,798,454, equivalent to $32.26 per share.

For the 12 months ended March 31 the corporation paid dividends amounting to $2.13 per share of which $1.35 was designated as capital gain.

At the close of the March quarter, holdings of common stocks were as follows, in terms of percentages of total assets: oils, 36.06%, compared with 33.03% a year ago; chemical and drug 21.14%, against 21.96%; metal and mining 11.26%, against 14.63%; manufacturing and miscellaneous 11.17%, against 10.77%; electric utility 5.73%, against 4.73%; merchandising 2.43%, against 2.12%; natural gas 1.68%, against 1.50%, and other investments .16% against 17%. Holdings of U. S. Treasury bills accounted for 10.06%, against 10.78% a year ago and cash and receivables .31% unchanged.

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Wellington Equity Fund net asset value per share reached $16.78 on April 30, highest month-end price in the fund's history. This represents an increase of 38% over the $12.17 figure reported on Oct. 31, 1960, the end of the last fiscal year, Walter L. Morgan, President, reported in a semi-annual statement to stockholders.

The rising net asset value was accompanied by substantially higher purchases of shares by new investors (up 192% over the comparable six-month period last year) and lower share redemptions (down 16%). The fund's resources therefore increased materially, to a total of $67,235,000 on April 30. This figure is more than double the size of the fund at the conclusion of the initial underwriting on Oct. 23, 1958.

Grosset & Dunlap Stock All Sold

Blyth & Co. Inc. and associates offered publicly on May 12, 436,086 shares of Grosset & Dunlap Inc. common stock priced at $29 a share. This was the initial public offering of the company's stock and it sold quickly at a premium.

Of the block offered, 210,320 shares were sold by the company and 225,766 shares by certain selling stockholders. The company will use the proceeds from the sale of its 210,320 shares together with other funds to buy additional common stock of the Bantam, Wonder and Treasure book companies from the Curtis Publishing Co. and another corporation. Grosset & Dunlap currently owns at least 50% of these firms and after its purchases will own 70% of the outstanding stock of these three subsidiaries.

None of the proceeds from sale of the selling stockholders' block will be received by the company. The selling stockholders include Book-of-the-Month Club, Harper & Brothers, Little Brown & Co. and Random House, which, after the sale, will continue to own about 51% of Grosset & Dunlap's outstanding common stock.

Grosset & Dunlap is the outgrowth of an 1898 partnership that was engaged in the reprint book publishing business. The company is a leading publisher and distributor of reprints and original books for children and adults in both hard cover and paperback books.

The company has paid cash dividends each year since 1935 and on March 31, 1961 paid five cents a share on the common stock. The directors intend to consider payment of cash dividends on a quarterly basis.

Capitalization of the company on March 30, 1961 adjusted to reflect the current sale of the company's shares and the exercise of an option to buy 41,699 common shares by the selling stockholders, consists of 1,188,878 shares of common stock of $1 par value.

Hornblower, Weeks Office

Hornblower & Weeks have opened a branch office at 320 Park Ave., New York City, under the management of Royal G. Whiting and Earl L. Rubin.

With California Investors

SAN DIEGO, Calif. — Edward S. Chamberlin has joined the staff of California Investors, 1965 Fifth Avenue. He was formerly with Western Certificate Fund.

NEWS ABOUT BANKS AND BANKERS

Consolidations • New Branches • New Offices, etc. • Revised Capitalizations

The First National City Bank of New York announced the appointment of H. Lansing Clute as a Vice-President. Mr. Clute joined the Bank in 1927 and is a member of the operations section and is concerned with foreign banking. The appointment of Douglas A. Firmin, formerly branch Manager in Santiago, Chile, as resident Vice-President in Lima, Peru, also was announced.

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Michael F. Badami, Howard E. Bendix, George J. Doll, James M. Doyle and Theodore Wolff, former Assistant Managers - Corporate Trust Department, have been appointed Assistant Secretaries of **Chemical Bank New York Trust Company, New York,** it was announced.

Also, Joseph J. Banch and Chester R. Nichols, Jr., former Assistant Managers, have been named Assistant Treasurers. Gerard M. Thompson has been promoted from Assistant Manager to Assistant Secretary and George J. Klopfer is named Manager of the Bank's new Massapequa Office. Messrs. Banch, Nichols, Thompson and Klopfer are with Chemical Bank New York Trust Company's Metropolitan Division.

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Richard G. Pintard has been appointed Trust Officer of **Chemical Bank New York Trust Co., New York.** Mr. Pintard is with the Bank's Corporate Trust Department at 30 Broad Street, where he has served as Assistant Secretary since 1956.

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Chemical Bank New York Trust Co., New York, opened New York's newest banking office—its 109th branch—in the recently completed 850 Third Avenue Building at 51st Street, May 15.

The new office will be in charge of Norman A. Staples, Assistant Vice President, W. Rodman Robinson and Samuel R. Ferguson, Assistant Managers, and Robert H. Matson, Jr., Officers' Assistant.

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Irving Trust Co., New York, announces the promotion of Joseph P. Hartnett, Jr. and W. Nelson Young from Assistant Vice-Presidents to Vice-Presidents.

Mr. Hartnett is an administrator of estates and trusts in the Personal Trust Division.

Mr. Young, also associated with the Bank's Personal Trust Division, is engaged in the administration of custody and advisory custody accounts.

Reynolds Drews and Lehr W. Pitts were named Assistant Vice-Presidents in the Personal Trust Division.

At the same time David B. Hayter, Walter W. Hemberger, Robert T. Lavender and Richard C. Torbert were appointed Assistant Secretaries in this Division.

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Grinnell Morris has been elected Executive Vice-President of **Empire Trust Co., New York.** Mr. Morris had been associated with **The Hanover Bank** since 1934 and was a Senior Vice-President at the time of his resignation.

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The Bowery Savings Bank elected Morris D. Crawford, Jr., to its Board of Trustees. Mr. Crawford is Executive Vice-President of The Bowery.

Mr. Crawford joined The Bowery in 1953 as Vice-President and office counsel and in January 1959 was elected Executive Vice-President.

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The election of William C. Greenough and Kendrick R. Wilson, Jr., to the Board of Trustees of **Dry Dock Savings Bank, New York,** was announced.

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The Dollar Savings Bank of the City of New York, New York, has announced the appointment of Herman C. Nolan as a Trustee.

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Everett J. Livesey, formerly President of the **Dime Savings Bank of Brooklyn, New York,** has been elected President of the **City Savings Bank of Brooklyn, New York,** effective June 1.

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The County Trust Co., White Plains, N. Y., has named Denis J. O'Malley an Assistant Treasurer.

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The Howard National Bank and Trust Co. of Burlington, Burlington, Vermont, has increased its common capital stock from $1,200,000 to $1,400,000 by the sale of new stock, effective May 3. (Number of shares outstanding 56,000 shares, par value $25.)

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The Powow River National Bank of Amesbury, Amesbury, Mass., has changed its title to the **Amesbury National Bank,** effective May 1.

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The Board of Directors of **Trust Company of Morris County, Morristown, N. J.** elected William W. Brown, Jr. as Secretary and Assistant Treasurer of the Bank, May 12. Mr. Brown, whose promotion from Assistant Vice-President and Assistant Secretary will take effect June 1, succeeds Stephen S. Whitney. Mr. Whitney is retiring from the Bank after 39 years of service.

In 1934 Mr. Brown joined the **Madison Trust Company,** predecessor institution of **First Bank and Trust Company of Madison** which merged with the **Morristown Trust Company** in 1958. He served in successive capacities of Assistant Treasurer, Treasurer, Secretary-Treasurer and Vice-President-Secretary of the **Madison Bank.** He started his banking career in New York City with **Importers and Traders National Bank, New York.** He was Manager of the credit department of **Clinton Trust Company** prior to joining the Madison Bank.

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Three retiring officers of **Trust Company of Morris County, Morristown, N. J.** were honored by the Bank's Officers and Directors at a dinner May 12 at Llewellyn Farms. Those honored were Raymond B. Peer, formerly Vice-President in charge of the Bank's Office on the Green who retired March 1, James G. Barradale, Jr., formerly Assistant Vice-President and Manager of the Bank's Florham Park office who retired May 1 and Stephen S. Whitney, the Bank's Secretary who will retire June 1.

Mr. Peer started with the Trust Company in 1913 as a clerk and served in various capacities advancing to the position of Vice-President in 1942.

Mr. Barradale joined one of the Trust Company's predecessor institutions in 1928 as a teller and advanced to the position of Assistant Vice-President.

Mr. Whitney started with the Bank in 1922. He was appointed Assistant Trust Officer in 1935, Assistant Secretary in 1942 and Secretary in 1944. He started his banking career with the **Guaranty Trust Company of New York** in 1915.

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The **National State Bank of Newark, N. J.,** has named Harold C. Hoffman as Trust Officer, effective May 15.

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The Comptroller approved May 2 an application of the **Merchants National Bank of Allentown, Allentown, Pa.,** and the **Egypt Schnecksville Bank, Egypt, Pa.,** to consolidate under the title of the Merchants National Bank of Allentown. The effective date is May 26.

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Robert A. Meyer has been appointed Manager of **Mellon National Bank and Trust Company's Manchester office.** He succeeds William F. Minnick, Assistant Vice-President, who is retiring on June 1.

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Thomas W. McFarland has been named Manager of the Mount Royal office of **Mellon National Bank & Trust Co., Pittsburgh, Pa.** Mr. McFarland succeeds Robert A. Meyer, who has been appointed Manager of the Bank's Manchester office.

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Western Pennsylvania National Bank, Pittsburgh, Pa., will consolidate with the **Bank of McKees Rocks,** Presidents of the two institutions announced.

M. A. Cancelliere, President of WPNB, and Samuel Werlinich, President of the Bank of McKees Rocks, said that the Directors of both banks have voted in favor of the consolidation.

The proposed consolidation is now in the hands of governmental agencies in Harrisburg and Washington for their approval. The consolidation will also go before stockholders of each bank on June 13.

The McKees Rocks bank has total resources of $9,583,559 and Western Pennsylvania National has total resources of $215,837,567.

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By a stock dividend, the **Salisbury National Bank, Salisbury, Maryland,** has increased its common capital stock from $300,000 to $360,000, and from $360,000 to $480,000 by the sale of new stock, effective May 5. (Number of shares outstanding 48,000 shares, par value $10.)

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The application of the **Merchants National Bank and Trust Co. of Dayton, Dayton, Ohio,** and the **Peoples Bank and Trust Co., Dayton, Dayton, Ohio,** to consolidate under the title of the **National Bank of Dayton** has been approved. The effective date is to be determined.

The Comptroller has approved the application of the **First National Bank of Ironton, Ironton, Ohio,** to purchase the assets and assume the liabilities of the **Chesapeake Bank, Chesapeake, Ohio.** The effective date is to be determined.

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Fred B. Witte, Assistant Treasurer, has been advanced to the correspondent bank division of **The Ohio Citizens Trust Company of Toledo, Ohio.**

He will assist Willard I. Webb, III, Vice-President, in servicing a number of banks and financial institutions in Northwestern Ohio and Southeastern Michigan.

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Continental Illinois National Bank and Trust Co., Chicago, Illinois, re-elected a retired officer and named a former British bank official as Vice-Presidents. The two will be part of the management nucleus for Continental's branch in London.

Re-elected by Directors was Carl I. Johnson, who had retired as Vice-President.

The other new Vice-President is H. Norman Laughland, who had managed the London branch of the **Bank of Baroda Limited (India)** until his retirement a year ago.

The Continental Bank first announced its plans to open a London branch a month ago. Opening date for the branch will be established after Federal Reserve Board approval has been obtained.

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Approval of a proposal increasing the number of directors from 14 to 17 was announced following a special stockholders' meeting held at the **American National Bank and Trust Co. of Chicago, Ill.** Lawrence F. Stern, Chairman of the Board, also reported the election of three new Directors. They are B. E. Bensinger, Graham J. Morgan and Edward W. Wilson.

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Ray W. Herrick has been elected to the Board of the **Manufacturers National Bank of Detroit, Mich.**

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The Bank of California, N. A., San Francisco, Calif., opened its Tahoe City office on May 15, in the Tahoe City Center.

The new office is under the management of Herbert S. Clegg, Jr., who was formerly Assistant Manager of the Auburn office of The Bank of California.

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Edward A. Murphy, Jr., formerly with the **Hanover Bank, New York,** for 22 years, has been appointed Vice-President and branch Administrator of the Southern Division of the **First Western Bank and Trust Co., Los Angeles, Calif.**

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Directors of the **Seattle-First National Bank, Seattle, Wash.,** promoted Alvin R. Schopfer to Assistant Vice-President, Chairman Lawrence M. Arnold has announced.

Canning, President of Jersey Inv. Corp.

PLAINFIELD, N. J.—Everett J. Canning has been elected President of Jersey Investment Corporation, 240 West Front Street. Mr. Canning has been an active member of the Board of Directors of Jersey Investment Corporation since 1958. Previously serving as a Vice-President of the Company in charge of the construction division, Mr. Canning will now coordinate the mortgage and investment properties divisions.

With Filor, Bullard

Filor, Bullard & Smyth, 26 Broadway, New York City, members of the New York and American Stock Exchanges, announced that Paul F. Printon is now associated with their firm as a registered representative.

Aerotest Labs. Stock Marketed

Public offering of 100,000 shares of Aerotest Laboratories Inc. common stock was made on May 17 by Hayden, Stone & Co. The stock was priced at $8 per share.

Of the offering, 40,000 shares were purchased by the underwriter from the company on original issue and the remaining 60,000 shares have been acquired by the underwriter from a group of six selling stockholders including two officers of the company and the Fairchild Engine & Airplane Corp. Each member of the group is selling approximately 15% of his holdings in the company.

The selling stockholders will receive the proceeds of the 60,000 shares. Proceeds to the company from the 40,000 shares will be applied to the payment of a $65,000 bank loan and the acquisition of additional equipment.

The company's principal business is the testing of components and systems designed and manufactured under government contracts by companies in the missile, space, electronic and aircraft industries. The company also manufactures for its own use, and for sale to others, specialized testing equipment, and ground support equipment for missiles and aircraft.

In 1960 the company had net sales of $1,196,937 and net income of $100,906 compared with $698,668 and $32,977, respectively, in 1959. Common stock of 10¢ par value outstanding after the sale of the company's 40,000 shares will amount to 430,000 shares.

Tenn. Gas Trans. Debens. Offered

Stone & Webster Securities Corp., White Weld & Co. and Halsey, Stuart & Co. Inc. are joint managers of an underwriting group, which offered publicly on May 16 an issue of $75,000,000 Tennessee Gas Transmission Co. 5⅛% debentures, due May 1, 1981, at 100%.

Proceeds from the sale of the debentures will be used to retire short-term notes outstanding under the company's revolving credit agreement and the balance will be used for general corporate purposes.

The debentures will be nonrefundable at a lower interest cost for a period of five years. Otherwise they will be redeemable at the option of the company at prices ranging from 105½% to the principal amount, a sinking fund, commencing May 1, 1962, will retire 92% of the issue prior to maturity.

Tennessee Gas Transmission sells or delivers gas to distributing companies primarily in the eastern United States. The company's principal customers comprise the systems of The Columbia Gas System, Inc. and Consolidated Natural Gas Co., which accounted during 1960 for approximately 46% of company deliveries. Tennessee's multiple-line natural gas transmission system, beginning in gas producing areas of Texas and Louisiana, extends to the northeastern section of the United States, and includes 11,183 miles of pipe lines, including 44 principal compressor stations having an aggregate of 775,990 horsepower. The design delivery capacity of the system on Dec. 31, 1960 was approximately 2,543 million cubic feet per day and 2,940 million cubic feet per day on peak days by withdrawal of gas from underground storage.

Subsidiaries include Midwestern Gas Transmission Co. which owns and operates two pipe line systems totalling 902 miles with a total delivery capacity of 560 million cubic feet per day, and East Tennessee Natural Gas Co., which

owns and operates a 778-mile pipe line system in the state of Tennessee.

Another subsidiary of the company, Tenneco Corp., is engaged directly and through wholly-owned subsidiaries in exploration for, producing, processing, refining and marketing of petroleum and petroleum products. Wholly-owned subsidiaries of Tenneco own and operate real estate and engage in the life, health and accident insurance business. Tenneco is also engaged in other non-pipeline segments of Tennessee Gas Transmission's business.

Operating revenues of the company and its subsidiaries for year ended Dec. 31, 1960 amounted to $554,707,000 and gross income to $95,953,000, compared with $462,-910,000 in revenues and $79,355,000 in gross income for the like 1959 year.

Capitalization of the company as of Feb. 28, 1961 and adjusted to give effect to the current offering included $749,729,000 of long-term debt (exclusive of approximately $150,000,000 of non-interest bearing notes issued in connection with the purchase of gas in place); 1,069,270 shares of preferred stock, $100 par value; 790,955 shares of convertible second preferred stock, $100 par value and 39,673,464 shares of common stock, $5 par value.

Stein Hall & Co. Stock Offered

F. Eberstadt & Co. heads an underwriting group which offered publicly on May 16, 244,000 shares of Stein Hall & Co., Inc. common stock at $17.50 per share. In addition the underwriters are offering 13,000 shares to employees of the company and its subsidiaries. The shares are being sold for the benefit of selling stockholders and no proceeds will accrue to the company.

Stein Hall & Co., Inc. manufactures a wide variety of chemical specialty products, including adhesives, synthetic resins, natural gum and food derivatives, food stabilizers and other intermediate products which find use primarily in the paper, packaging, textile, food, drug, mining and petroleum industries. In addition, the company is a major supplier to U. S. and Canadian industrial companies of starches, starch derivatives and imported commodities, including burlap and latex. The company maintains offices in 12 U. S. cities and in Montreal and Toronto, South Africa, The Netherlands and Thailand.

Sales and other income of the company and consolidated subsidiaries for the year ended Dec. 31, 1960 totaled $56,851,821 and net was $877,527, compared with sales and income of $59,343,060 and net of $734,934 for the year ended Dec. 31, 1959.

Capitalization of the company as of March 31, 1961 and as adjusted to give effect to the offering includes $1,102,925 in debt and 751,-580 shares of common stock, $1 par value outstanding. The company is negotiating for the private placement of a $2,500,000 long-term institutional loan.

Delafield Opens Great Neck Office

Delafield & Delafield, members of the New York Stock Exchange, have announced that the Great Neck, N. Y. office of Pell & Co., at 7 South Middle Neck Road, will become a branch office of the Delafield firm under the management of Harry VanderNoot and with Jack D. Ferrisi as assistant manager. Walter Daub and Robert P. Daly will be registered representatives. Miss May Moore is joining Delafield and Delafield at 45 Wall Street, New York City, as a registered representative. Pell & Co. has been dissolved.

M. Blatt Co. Stock Sold

Public offering of 115,000 shares of the common stock of The M. Blatt Co., a leading independent builder and installer of tenpin bowling lanes and related equipment in the East, was made on May 15 by an underwriting group headed by Maltz, Greenwald & Co. The stock was priced at $6 per share. This offering marked the first public sale of the company's common stock, and it sold quickly at a premium.

Management of The M. Blatt Co., Trenton, N. J., believes that it is one of the two largest independent constructors and modernizers of bowling lanes in the states of New Jersey, Eastern Pennsylvania, New York and Delaware, and a major factor in that area. The company designs, builds and installs bowling lanes as well as ball return units, fiberglass settees, score tables, ball cleaning units and storage racks. Blatt also markets a full line of bowling lane maintenance supplies and bowling accessories, including pins, shoes, bags and lockers. Sales of the company's products are made to bowling center operators.

Net proceeds from the financing will be used by the company for the purchase of equipment and expansion of facilities; for development and promotion of new bowling accessories and the establishment of an additional sales facility; and for repayment of certain current indebtedness. The balance of the proceeds will be added to working capital, including the financing of sales of bowling lanes and related equipment.

Net sales of The M. Blatt Co. for the year ended Aug. 31, 1960 were $1,885,645 with a net profit of $60,378, against the year ended Aug. 31, 1959 when the net sales were $1,211,133 and net profit was $32,362. Upon completion of current financing, outstanding capitalization of the company will consist of 245,000 shares of common stock, $58,083 of a 6% first mortgage and $398,500 of an 8% subordinated debenture.

M. M. Berlin Opens

ALBERTSON, N. Y.—Michael M. Berlin is conducting a securities business from offices at Albertson Avenue and L. I. Railroad.

Two With Lester, Ryons

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Cooper P. Matthews and Gerald H. Reeves have become associated with Lester, Ryons & Co., 623 South Hope Street, members of the New York and Pacific Coast Stock Exchanges. Both were formerly with Cooper-Matthews, Inc.

Saul Lerner Co. Adds Col. H. E. Miller

Saul Lerner Co., Inc., 40 Exchange Place, New York City, put and call brokers, have announced that Col. Homer E. Miller, (U. S. A. ret.) has joined their firm as director of public relations.

Continuing to Deserve The Investor's Confidence

Continued from page 3

ments to speculaion, from speculation to gambling, and perhaps in proportions which they would not adventure in except under the present intoxicating climate.

The release of speculative energy and the new confidence have brought the financial community a good volume of business. This we deserve since the financial community has been making quite a bit of money for its customers. Our point now is that if we wish to continue to deserve the confidence reposed in us and if we expect to foster that speculative spirit which has made America great and which differentiates our society from a purely bureaucratic one, perhaps we should take stock where we and our customers stand at this time, correct excesses, or try our best to present forthright analyses, and do some long-term development work. To use the parlance of the mining man, this is no time for high grading; this is a time for deep digging and blocking out of future ore reserves preserving the enhanced resources of our clients.

The Approach to Protecting Principal

If an account were to conform his holdings to conventional traditional practice, what would he be advised to do? What would a trust officer, who nowadays has become quite progressive, be constrained to suggest? First of all, he would suggest a reserve of bonds, probably tax exempts, to insure against the heavy tax impact and possible tax increases. For the remaining 50% or 75% of the account, he would suggest diversification over a number of industries, largely of the conventional, tried and true type, and then an appropriate but minor sprinkling of new industries to modernize the portfolio.

An aggressive investment advisory organization might vary this process by reducing the bond ingredient and using substitutes for bonds, such as banks and insurance companies and other defensive groups, and would probably make selections more heavily weighted on growth than on tradition. This would imply perhaps a severe pruning of the conventional companies in the conventional industries unless they showed a growth rate of, let us say, better than 6% per annum, and there would be a larger percentage allocation to education, recreation, science, and service shares.

Money-Making Approach

Ascending or descending further, depending upon the viewpoint, in a portfolio still on the march and dedicated to money making as against the milder approach of protecting principal and guarding against erosion of purchasing power, the emphasis would be more heavily on strong common stock growth situations and an ingredient of wildcatting. In oil, as you know, wildcatting means sinking a well in unproven acreage and either finding the oil or losing the money, and all of this takes place within a brief period of time. In securities generally there is not the advantage of deducting the loss from current income, which is the attraction in oil and gas, but even if the enterprise or venture is a corporation with directors, officers, and stockholders, and a business of sorts, it should be considered a wildcat though the period of experiment may be prolonged. In these types of ventures, whatever the appearances, the investor takes a calculated chance on a breakthrough either in the markets to which they aspire or the technological supremacy which they hope to achieve and give a manifold return. These shares are sweepstakes tickets but with a better basis. The percentage of such commitments in the portfolio is what demands rigorous attention because if it is too much and if disaster befalls the commitment, the whole is endangered and the client becomes a bitter adversary of the capitalistic system. He, of course, may very well blame the broker rather than his own folly.

Skeptical of Eggs in One Basket

While many accounts with all of our firms are, or should be, on an investment counsel basis, there is a very large proportion which does not come in this category. Such clients wish the resources that they allocate through us to be handled aggressively. Such accounts do not require diversification of the standard type nor representation in a series of industry classifications. But, in our complex society with cross-currents rapid, obsolescence high, and some developments quite inscrutable, the policy of over-concentration —all your eggs in one basket, even if you could watch the basket — is not good procedure, at least for original funds committed. Even here, there is the danger of overstaying the market, as witness the recent example of the oils which eventually became over one-third of the many portfolios through market appreciation and suffered severely in the subsequent revaluation.

In a brokerage account, attention is too much solely on the individual names, just as in an investment advisory account, the attention may be too heavily on proportions and categories. One may result in immobilizing too large a portion of resources, leaving little for issues which give spice and life to the portfolio. The other may look more diversified than it is since frequently the array of names has a common unseasoned characteristic.

Facing Today's Problems

The problem which we have and which faces us today, probably more urgently than ever, is to review our accounts and place them in a stronger posture. This need not sterilize the account nor weaken the speculative potential. It will call for a realignment of proportions and the reduction of weak, unseasoned issues to an appropriate percentage to the whole. It should mean combining strong companies which are displaying renewed vigor as well as the new industries which are fascinating all of us. It should mean a hard-headed review of all the hot tips and all the new issues which have found their way into accounts over the past year or two. It should mean a severe analysis of so many companies which, while brilliant, derive virtually all of their income from Government sources and have yet to demonstrate their ability to transfer to civilian usage.

Security analysis is becoming less simple nowadays. Originally rooted in the examination of the balance sheet and the income account, a conclusion concerning the tangible assets and earnings trend was largely an accounting function. A good analyst was a good accountant with more imagination, a sense of industrial developments, and an economics background. The imprimatur of the chartered accountant has become less meaningful and the table of earnings is comforting if it pertains to a lively company. Equally important to the tangible appraisal and the arithmetic comparisons is the intangible evaluation. Because it is not mathematical, there is the tendency to regard this vital area superficially. Actually the appraisal of nonearnings items, of the caliber of management, technological significance, market franchises, market strength, product superiority, rates of growth, and the appeal for the consumer or industrial dollar, are all demanding of real intellectual vigor as well as insight into the fantasy of the future. This cleavage between those in the security business who harp on the printed record and those who briefly regard it but plunge into the sea of potentials makes for an interesting argument in the financial community because each talks a different language and there does not seem to be a translator at hand.

Our position essentially is to have aggressive accounts, not too scattered, yet not all in one type situation. Our job, where the account is on the offensive is to give the client the full benefit of the great range of information and insight which all of us pooling our abilities can contribute, and to try conscientiously to have an account in a number of situations, each one having intellectual speculative merit and in proportions so that disaster on one front or another need not imperil the portfolio too heavily. Of course, this does not provide for overall adversity, which is of a different nature. After all, if the horse falls, the rider cannot remain aloft. In an aggressive account, there can be well-chosen traditional industry companies which are displaying renewed vigor. There can be strongly posited new industries and the ingredient of unseasoned wildcat situations properly delimited. This is the speculative approach resting on hard, intellectual labor plus imagination and commitments in equities in the tradition which has given America its growth.

The shift from the emphasis on tangibles to intangibles has been gathering momentum since the recovery from the 1957 recession as both the professional investor and the public have shown an increasing disposition to separate the pedestrian companies from the progressive companies, whether in new or renewed industries. The basic thought behind this concept is probably the fact that over the last half-dozen years corporate profits overall have been imprisoned in a restricted range at about $45 billion, but little cognizance is given to the improvement in the quality of earnings.

Corporate Pretax Profits

	Billions
1954	$34.1
1955	44.9
1956	44.7
1957	43.2
1958	37.7
1959	47.0
1960	45.0

The same thing is true if we take the approximate per share earnings record of the Dow-Jones Industrial Average which has not been able to break through the $34-$36 level.

Per Share Earnings Dow-Jones Industrial Average

1954	$28.40
1955	35.78
1956	33.34
1957	36.08
1958	27.95
1959	34.31
1960	32.30

Or, if a broader base is insisted upon, let us look at the 425 stocks in the Standard & Poor's Industrial Index where the per share earnings hovered around $3.50, or taking the 500 composite index, somewhat lower.

Standard & Poor's Indices

	Industrial	Composite
1954	$2.89	$2.78
1955	3.78	3.63
1956	3.53	3.41
1957	3.50	3.37
1958	2.95	2.89
1959	3.53	3.39
1960	3.41	3.30

The lack of dynamism in these indices is, of course, attributable to several factors: the wage push for one thing; increasing competition in the United States and its concomitant in the building of excess plant capacity; and, finally, the recovery in Europe and Japan with the competitive pressures from both assisted by low wages, big markets, and a high state of technology. Another factor implicit throughout is the effect of obsolescence and the consequence of research and development moving into new processes and new products.

Two New Ascending Trends

Sensing this condition, the strategy was to move to growth prospects. And in the last few years we have witnessed two very important ascending trends: (1) improvement in earnings, in most cases quite modest; (2) improvement in price-earnings multiples, in many cases most dramatic. The price-earnings multiple in the growth companies, or in the companies which the public and the institutions were ready to accept as growth vehicles, was a very much more important factor in the rise of share prices than the earnings improvement. While in some cases earnings improvement was disappointing, the consensus continued that it was better to have commitments in equities with growth and dynamism than in the conventional companies in the conventional industries. No one can say that this concept has not its validity.

The question now arises whether this should be continued *ad infinitum* and where one should call a halt. Is it better to own a conventional company in a conventional industry when it is selling at, say, 10 times its target of earning power than to own a growth vehicle which has now arrived at the stratospheric height of 50 times forthcoming years' estimated earnings? Since high multiples already discount an improvement in earnings, one should be wary of projections which assume maintenance of the multiple against an improvement in earnings.

Growth Firms Suffering Reverses

Another area worth studying is the case of growth companies, demonstrated as having a growth quality as well as either uniqueness of product or superb technological mastery, which have suffered reverses. This, too, happens and then such companies may constitute opportunities for renewed interest and commitment provided one can gain a conviction that the reverse is temporary and the multiple of potential earnings is not unreasonable.

CASE "A"—AMPEX

Here is a company which is first in its field in the production of tape recording equipment for many uses. Quotations reached a high of 42 and a subsequent low of 19, when earnings, which were rising quite nicely, turned into losses over the past two quarters. This sliced the appraisal of the company from $325 million to approximately $200 million now, against our estimate of sales in the present year of $71 million. Sales growth seems likely so that one can postulate $100 million of sales or more in the foreseeable future and one can also assume that in due course the managerial and other problems will be solved. On this basis, taking past margins as a guide, the earnings would be $7 million or about $1 per share, which means that now the shares are selling at 26 times hoped for, postulated future earnings.

CASE "B"—POLAROID

Here is a case where the shares declined from 261 to 177. At current levels of 210, the company is appraised at $800 million as against 1960 sales of $100 million. Results for the first quarter of this year and for the previous quarter were disappointing and the estimate for the current year is that earnings of $3 may be attained but the earnings rate by the end of the year should be perhaps in the order of $4-$5 per share. The belief, which rests on more than casual surmise, is that sales over four to five years might reach $400 million and if a profit margin of 20% before taxes, or let us say 10% after taxes, is achieved, this could mean $10 a share. If an earnings multiple of 30 is contemplated at that time, there is room for appreciation of the shares and speculative judgment will have to figure out whether the margin of enhancement in the shares is worth the risk and whether it may not take another year of reverses before the various merchandising and manufacturing difficulties are overcome. How many years ahead do you wish to discount?

CASE "C"—AUDIO DEVICES

Here is a much smaller company with technological ability in the production of instrument and sound tape where the dominant producer is the 3M company, which sells at 50 times earnings. But to buy magnetic tape in Minnesota Mining is in the ratio of a sparrow to an elephant. Audio ventured into another field—the other pastures always look greener than one's own—lost money on the attempt, retreated, got out of this endeavor, and returned to its own technology. While earnings last year were only 17c a share, the chances appear likely that by the end of this year or early next year, earnings could be at a $1 rate or approaching $1 million, and so a $27 million valuation for this company has its speculative appeal although the shares have already doubled. One must recognize the risk, namely, the probable eventual need for additional funds, and the competitive position versus several other companies in the field, but related to a probable over 20% growth per annum for the industry.

The point of these examples is that the growth idea, which all of us are prone to stress, and rightly so, has its hazards and any reverse in securities which sell at fanciful prices might give an opportunity for reexamination in a more sober frame of reference for, while the multiple does not go down since the earnings are also receding, the multiple relation to targets contracts substantially.

Speculative Problem Is Threefold

The speculative problem at the present time is threefold:

(1) Will there be a breakthrough in earnings starting, say, in 1962 which will affect the broad area of the established companies, so that in essence one can foresee a $40 level of per share earnings on the Dow-Jones Industrial Averages as against the$34-$36 barrier?

(2) To what degree will the growth in the growth stocks enjoy high multiples continue?

(3) How many of the wildcatting ventures will pan out, and how many will pass out?

All this against the economic, political, and fiscal background.

It is generally agreed that the economy has passed the low point and my own view is that one is warranted to postulate a gross national product of $550 billion in or towards the end of 1962. The remarkable resilience of the economy was demonstrated last year in face of a budgetary swing from a $12.5 billion deficit to a $1 billion surplus and an inventory change from an accumulation at an $11 billion annual rate in the first quarter of 1960 to a $5 billion liquidation rate in the first quarter of 1961 or a combined total deflationary impact of about $30 billion. In the face of this, the gross national product virtually stood still and virtually at its high.

The upturn should permit the breakthrough of earnings provid-

ing justification for many present prices although the incidence of the earnings recovery may well vary greatly from company to company and industry to industry. The recovery will have to cope with many problems among which the most difficult are likely to be the hard core of unemployment and the possible novel and unsettling efforts to solve it; the international payments problem, which temporarily has eased but which by no means has ceased; and fierce competition, both internal and from abroad.

The tax modifications so far proposed have been minor and mild, but presage new approaches which may possibly become severe, particularly if the test of wills between ourselves and the Russians, which must now ensue, should be protracted and expensive. The contest will be rough and widespread and could be a brake on optimism.

*An address by Mr. Erpf at this firm's Investment Research Conference, New York City, May 5, 1961.

Twin City Bond Club, 40th Outing

ST. PAUL, Minn.—The Twin City Bond Club will hold its fortieth annual golf tournament and picnic on June 15 at the White Bear Yacht Club, White Bear Lake, Minn. The event will be preceded by a cocktail party on June 14 at the Nicollet Hotel in Minneapolis. Reservations should be made by June 7 with F. W. Preschl of Juran & Moody, Inc., St. Paul. Tariff for guests is $30; for bond club members, $3 for the cocktail party, $8 for nongolfers at the outing, and $12 for golfers.

In addition to the golf tournament there will be a horseshoe tournament, tennis, bridge and gin rummy, and boating.

Members of 1961 Picnic Committee are:

General Chairman: George J. Freeman, Mannheimer-Egan, Inc.

Publicity: Stanley R. Manske, First National Bank of St. Paul.

Prizes: George A. MacDonald, First National Bank of Minneapolis.

Cocktail Party: William G. O'Connor, Dean Witter & Co., Minneapolis.

Entertainment: Charles J. Reiger.

Registration: Nicholas V. Schaps, J. M. Dain & Co., Inc. Minneapolis.

Boating: John D. McCarthy, Jamieson & Company, St. Paul.

Prize Solicitation: Robert G. Davis, Piper, Jaffray & Hopwood, Minneapolis, and William Price, American National Bank of St. Paul.

Transportation: William H. Thayer, Woodard-Elwood Co., Minneapolis.

Bridge and Gin Rummy: Leo L. Quist, Harold E. Wood & Co., St. Paul.

Tennis and Horseshoes: Leighton H. Borin, National Securities & Research Corporation.

Special Prizes: Albert J. Berglund, First National Bank of Minneapolis.

Named Director

Harvey C. Hopkins, Vice-President of ACF Industries, Inc. has been elected a director of Fundamental Investors, Inc., Diversified Investment Fund, Inc., and Diversified Growth Stock Fund, Inc., mutual funds sponsored by Hugh W. Long & Co., Inc. of Elizabeth, N. J.

Scott, Harvey Co. Formed

Scott, Harvey & Co., Inc., has been formed with offices at 120 Broadway, New York City, to engage in a securities business. Officers are Alvin A. Schwartz, President and Treasurer, and Jay A. Horowitz, Vice-President and Secretary.

Simulmatics Stock Offered

Russell & Saxe, Inc. offered on May 17 150,000 shares of common stock of The Simulmatics Corp. at a price of $2 per share. The shares are being offered as a speculation.

Net proceeds from the sale of the common stock will be used by the company for repayment of a short-term bank loan and for advertising, sales and promotion. The balance of the proceeds will be added to working capital and used for general corporate purposes.

The Simulmatics Corp., of New York City plans to make reports available for its clients by estimating probable human behavior under alternative hypothetical circumstances through the use of computer technology. The company also intends to use computer techniques for the solution of industrial, marketing and administrative problems.

In April 1960, the company completed four reports for a group engaged in political activities. The reports specified and analyzed, by application of research conclusions and theories of voting behavior and decision making processes, the probable behavior of specific segments of the electorate.

Upon completion of current financing, outstanding capitalization of the company will consist of 441,400 shares of common stock.

Safeguard Corp. Stock All Sold

Pursuant to a May 10 offering circular, Netherlands Securities Co., Inc., of 30 Broad St., New York 4, N. Y., publicly offered and sold today (May 18), 75,000 shares of 50¢ par common stock of Safeguard Corp. at $4 per share.

The company was incorporated under the laws of the State of Delaware on Dec. 10, 1926, under the name of Safe-Guard Check Writer Corp., which was changed to Safeguard Corp. on Dec. 8, 1947.

Its executive offices are located at 1114 N. Broad Street, Lansdale, Pa. Plant facilities are located at that address and also at Pierce and Linden Streets, Lansdale, Pa.

The company business consists of the development, manufacture and sale of products associated with the accounting systems, business machines and housewares fields.

In recent years, it has been the company's policy to utilize earnings for the purpose of financing its growth and no dividends have been paid since Dec. 15, 1951. The payment of dividends in the future will, of course, depend upon the company's earnings, general financial condition, and the requirements of its business.

Kalb, Voorhis to Admit

Kalb, Voorhis & Co., 27 William Street, New York City, members of the New York Stock Exchange, on May 18 will admit Judith N. Mesirow to limited partnership.

Principles, Facts, Politics In Overseas Tax Proposal

Continued from page 1

the anti-trust area. After extended adjudication, the U. S. government has succeeded in extending its jurisdiction to some actions by companies in other countries but only where it has been clearly demonstrated that these actions were affecting U. S. commerce.

Now suddenly the U. S. government proposes to tax the earnings of foreign corporations while they are still retained in foreign lands. From the corporate integrity point of view this is exactly the same as taxing an individual stockholder for the earnings of a corporation rather than its dividends. It unites the fiscal affairs of the parent company (the stockholder) with those of the subsidiary, ignoring the fundamental legal separation which is the essence of the corporate entity. And compounding the evil, the President proposes that we reach across the borders of friendly nations asserting a right to tax the earnings of corporations within their sovereignty. To highlight the character of his proposals, it is well to consider other changes in present legal practice which could be made with equal justification if these principles are not to be respected. For example, would it not be just as logical for the French government to hold a U. S. parent corporation liable for the fiscal obligations of a French subsidiary and to assume a right to attach the property of the parent for this purpose? The only real difference is that the French government could not readily seize the property whereas the U. S. government is in a good position to tax the parent for the subsidiary's earnings. But this is a practical difference, not one of principle.

Questions Tax Results

So let it be clearly understood at the outset that the President's proposals represent a clear-cut violation of accepted legal principles and national sovereignty. That does not in itself rule out accepting the proposals. As a pragmatic nation, our history is full of cases where we have overlooked principles to meet pressing national needs. So we must ask, whether important national purposes will be so beneficially served by this new form of taxation that it is justified despite the violation of principles.

To answer this question *The International Executive* research looked at two areas on which the taxation would have an important impact: Government Revenue, and the Balance of Payments. To determine the probable impact we asked the companies to answer several questions and to give data for 1959 and 1960 on the amount of their new investments, the portion provided by earnings retained overseas and the amount of additional taxes which would have been assessed on the retained earnings if they had been subject to U. S. tax. The details of the data cannot be reported as they were given on a confidential basis. However, an aggregate analysis permits sufficient conclusions in each area to determine whether there is indeed a justification for the proposed violations of legal principle and national sovereignty.

(1) **Government Revenue.** The stated purpose of the tax proposal given in the President's April 20 message to Congress is to raise revenue to compensate (along with other changes) for the $1.7 billion loss anticipated from the domestic investment incentive proposals. The taxation of overseas retained earnings together with several other changes in treatment of foreign income are estimated to produce $250 million. No breakdown is given in the message but as the other foreign income items are small, the bulk of this new revenue presumably is expected from the retained earnings. The TIE survey indicated that there would be a very wide range in tax impact among companies, some having no additional tax and some losing as much as 50% of their retained earnings. Averaging all companies the additional tax bite worked out to 28%. Applying this to the 1959 Commerce Department figure for earnings retained in developed countries of $733 million, gives a tax return of $205 million. Figures for 1960 are not yet available, but presumably they would be larger. In view of the wide variations in incidence among companies it is doubtful if either the TIE sample survey or the Treasury estimates are precise. However, they are close enough so that it is clear that we are talking about increased revenue in the order of magnitude of $200 to $300 million.

Is this big enough, or is the need great enough to justify a breach of basic legal principle? The amount is 15% of the loss anticipated from the investment incentive program. It is 0.25% of the total budget. We must grant immediately that small increases in taxes, here and there, are a perfectly sound approach to meeting the need for new revenue. But it seems very hard indeed to argue that we must fly in the face of two very fundamental principles to achieve this small gain.

Sees Slight Effect on Balance Of Payments

(2) **Balance of Payments.** The possibility of contributing to the balance of payments is more appealing as a justification. Last year's deficit of $3.5 billion was a source of real concern. The strength of the dollar is important not only to us but to the economic stability of the whole free world. In his testimony to the House Ways and Means Committee on May 4, Secretary Dillon claimed that the proposed taxation might reduce our deficit by as much as $525 million per year. Is this a justified hope? Mr. Dillon did not explain his reasoning, but the TIE survey together with known facts about foreign investment provide tangible evidence which casts considerable doubt on his expectations. At least four types of impact have to be considered.

(a) **Tax Payments.** As we have noted, the additional taxes are probably in the order of $250 million per year. But the TIE survey revealed that the companies would only repatriate earnings sufficient to pay two-thirds of this. The other third would be met out of domestic funds, leaving the foreign earnings abroad to carry through p l a n n e d investments. Thus, the hard-core of the direct contribution to the balance of payments would be in the order of $170 million.

(b) **Voluntary Repatriation.** The proponents of the President's plan seem to hope that, with the tax advantage of holding earnings abroad removed, companies would voluntarily repatriate more earnings. When asked in the TIE survey if they would do so, 82% of the companies replied "No." In fact, U. S. companies have very little "free" money abroad. Most of the retained earnings are slated for early investment, so the potential contribution of this nature is negligible.

(c) **Deterrent to New Capital Outflow.** The outflow of dollars for new investments is running around $1.5 billion per year, of which about $1 billion is to the developed areas. Would this outflow be reduced by the proposed taxation and, if so, would the reduction be beneficial? The first question is hard to answer because it involves guesses as to how executives **might** respond to investment decisions under hypothetical changes in conditions. To the general question, "What do you think would be the effect on the rate of new investment by U. S. companies overseas?", 96% replied "Decrease." However, as noted above, many companies would dip into the domestic till to meet tax payments rather than cut back new investments abroad. From letters returned with the TIE survey and general knowledge of investment planning, it is my conclusion that the desire to capitalize on expanding markets abroad is so strong that few new operations would be given up just because of the new taxation.

There may, however, be some reduction in new dollar investment and more use of overseas financing. When asked if "In your company the taxation would result in less direct investment and more use of licensing, joint ventures, etc.," 65% of the companies said "Yes." Again, however, those familiar with the field know that company policies pro and con towards licensing and joint ventures are based upon such strong feelings about administrative control and similar basic factors that a major shift for tax reasons seems unlikely. It would be surprising, therefore, if the capital outflow to developed areas were cut by more than 10%, or $100 million.

Is It Beneficial?

But the more important question is whether any reduction in the investment outflow is beneficial. In 1959, earnings amounted to 11% on all direct overseas investments and the dividend payments to the U. S. were 8% of investments. In other words, each $1 we invest abroad results in $.11 earnings, of which $.08 is sent home. This is a point which needs to be driven home, for the advocates of reduced investment would have us believe that the reduction is a net benefit to the balance of payments. Actually, it is the opposite. It saves dollars in the short run but at the expense of long-run inflow of dollars which ultimately far exceeds the initial outflow. The long-run cumulative benefits of the investments are emphatically demonstrated by the fact that whereas the outflow for new investments from 1950 to 1960 totaled $12.2 billion, the inflow of income was $21.3 billion. Certainly we should not contemplate such a radical change in taxation as has been proposed solely as a short-run balance of payments remedy; and on a long-run basis its impact, to the extent that it reduces new investment, is actually injurious to our balance of payments position.

(d) **Exports.** In a speech in Congress on Jan. 9, Senator Gore, arguing for tax changes like those proposed by the President, said, "Total sales by American plants in Europe in 1959 amounted to about $8 billion. Certainly a part of this $8 billion worth of merchandise could have been replaced by exports of American manufactured items. I think it is unnecessary to point out that these extra exports could have balanced our payments and provided additional jobs here at home." This is the new form of protectionism, the argument that overseas investments are "exporting jobs." The argument is an important one because it touches deep human as well as economic nerves. It is extremely unfortunate therefore in the ignorance of the facts of overseas investments upon which it is based.

Answers Senator Gore

Senator Gore assumes that the U. S. companies have made a voluntary decision to replace exports with overseas production. If this were the case, virtually every company would choose to export because the profits from fuller use of U. S. plants are greater and the risks smaller. In fact, that rarely is the real choice. Rather, a company must typically choose to set up a foreign plant or not sell in a market because exports are excluded by tariffs or are noncompetitive with the costs of local production. Thus, checking new investments does not mean that we are saving markets for export goods. It means rather that we are giving up potential sales to local manufacturers and other capital exporting countries. This is not only bad from the point of view of loss of future dollar return from profits on sales, but results in a complete loss of exports, whereas U. S. investments retain an important share of the sales income as exports.

The Department of Commerce 1957 survey of investment shows that U. S. operations abroad purchased about 10% of their materials requirements from the United States. Thus, approximately $2 billion of our exports were sold to U. S. overseas operations in the form of parts for use in assembly operations, basic chemicals for manufacture, etc. And these figures do not include a further amount (not estimated by the Department of Commerce) of exports of machinery and equipment used by U. S. companies in setting up new operations. Thus, it seems quite clear that rather than preserving jobs for U. S. workers, a reduction in new investment will result in the loss of the significant percentage of jobs in export industries which U. S. plants abroad maintain as an alternative to complete loss of markets to foreign competitors.

Claims Surrey Contradicts Himself

(3) **Politico-Administrative Opportunism.** The factual logic in this situation is so strongly against the President's proposal that one wonders how it could have come into being. It clearly violates sound legal principles and at best it offers small short-run benefits to the balance of payments at the expense of long-run losses of dollar return from investments and exports.

It is the more extraordinary because of the previous position of the key man behind it—Assistant Secretary of Treasury Stanley Surrey. Until he moved to Washington, Mr. Surrey was Director of Harvard's International Program in Taxation. In that position he directed the writing of *Foreign Investment and Taxation*, by Barlow and Wender in 1955, a book which made the first proposal for a "Foreign Business Corporation." This device, subsequently evolved into the Boggs Bill, which would have eliminated the advantages of tax haven corporations by setting up a U. S. corporation which could repatriate foreign earnings without paying U. S. taxes. Its practical effect would have been to defer taxes on earnings from overseas investments but to permit the earnings to be returned to the U. S., a beneficial proposal in sharp contrast to the present proposals to tax retained earnings while they are still abroad.

In his foreword to the Barlow-Wender book, Mr. Surrey notes his own participation in the evolution of this idea after a study of tax haven corporations, saying that "a 'domestic umbrella,' which provided similar insulation from United States tax but permitted the conduct of the foreign activities to be centralized under domestic corporate forms, appeared to offer promising possibilities." It is strange indeed to find this man now responsible for a proposal running in a diametrically opposite direction.

Is It a Political Move?

What is happening here? It is possible that the Treasury Department has made a logical analysis leading to another conclusion or that they see the short-run balance of payments benefits which run, we estimate, at about $250 million as essential enough to sacrifice the long-run consequences. It seems more likely, however, that what we are seeing is a bit of political maneuvering by the Administration designed to win votes for other Kennedy objectives. Specifically, the strategy seems to be to cater sufficiently to the growing protectionist sentiment among labor as a move to soften labor resistance to the domestic investment incentive scheme. As I have shown above, the argument that checking investment will protect domestic jobs is not sound. But in the non-logical, emotion-laden arena of politics, factual analysis fights an uphill battle.

The important political fact is that a variety of politicians like Senator Gore have found that the "exporting jobs" pitch strikes a responsive chord. And, whereas protectionist drives to check imports have foundered on their demonstrated injury both to good relations with our allies and to the ability of others to buy our exports, this pitch seems safe. Manufacturers in the developed nations are delighted to see our own government restricting the ability of U. S. companies to compete with them, and the "exporting jobs" slogan has a superficial persuasiveness which makes it highly effective.

The immediate direct injury is to a segment of industry which is politically weak because it is absorbed with generating income for the United States outside its borders and it has very few "constituents" to speak for it politically. The fact that there is a fundamental injury to the whole economy will be quite evident to an economically intelligent person, but such fundamental effects are rarely considered by the broad voting public, especially the labor groups to whom the Administration is directing its propaganda.

So, unless industry is able to muster an extraordinary effort, we face the unhappy prospect of seeing the Administration put over a system of taxation which is not sound simply as an opportunistic political maneuver. This is indeed a sorry prospect. We can not help but sympathize with the strong emotional response of one senior executive of a major firm in responding to the TIE survey. "These proposals are among the most vicious and harmful I have ever known. If they are adopted, I predict an upheaval which will have serious consequences throughout American business."

F. I. C. B. Offers Debentures

The Federal Intermediate Credit Banks offered on May 17 a new issue of approximately $196,000,000 of 2.95% nine-month debentures dated June 1, 1961 and maturing March 1, 1962. Priced at par, the debentures are being offered through John T. Knox, Fiscal Agent, and a nationwide group of securities dealers.

Proceeds from the financing will be used to refund $155,000,000 of 3.10% debentures maturing June 1, 1961, and for lending operations. The following issues were also reopened and sold at the market at a net price: $10,000,000 of 3.15% debentures maturing Sept. 5, 1961, and $11,000,000 of 3% debentures maturing Dec. 4, 1961.

STATE OF TRADE AND INDUSTRY

Continued from page 9

their stocks and possible delivery schedules.

Users had stocks of about 10.3 million tons at the end of 1960. During the first quarter, stocks fell to a low of about 9 million tons (a 45 day level).

Steel's industrial production index is reflecting the general business pickup. It is only three points shy of the year-ago mark.

Trend leaders for the index—made up of four components—are the steel and automotive industries, both of which reached their 1961 high points in the latest week of record. Electricity is holding fairly level at a time when it usually is in a sharp seasonal decline. There is also a small upturn in freight carloadings.

The metalworking magazine said improvement is being noted from coast to coast. Those areas which had the deepest recession are also having the strongest recovery.

Steel Production Data for the Week Ended May 13

As previously announced (see page 26 of our issue Dec. 22) the American Iron and Steel Institute has materially changed its weekly report on the steel industry operations. The revised formula no longer relates production totals as a percentage of the industry's operating rate based on the Jan. 1, 1960, over-all productive capacity. Instead, and effective Jan. 1, 1961, the output figures are given as an index of production based on average weekly production for 1957-59

The revised method of reporting presents the following data:

Production for week ending May 13, 1961, was 1,988,000 tons (*106.7%), a 2.3% increase and output of 1,943,000 tons (*104.3%) for week ending May 6.

Production this year through May 13 amounted to 30,975,000 tons (*87.5%), or 35.4% below the 47,979,000 tons (*135.6%) in the period through May 14, 1960.

The Institute concludes with Index of Ingot Production by Districts, for week ended May 14, 1961, as follows:

	*Index of Ingot Production for Week Ending May 13, 1961
North East Coast	105
Buffalo	120
Pittsburgh	92
Youngstown	96
Cleveland	124
Detroit	128
Chicago	106
Cincinnati	115
St. Louis	114
Southern	106
Western	127
Total industry	106.7

*Index of production based on average weekly production for 1957-59.

Auto Production Records Largest Volume for 1961

Passenger car assembly by Ford Motor Co., American Motors and Studebaker-Packard rose to their highest weekly levels of the year this week, *Ward's Automotive Reports* said.

With General Motors also showing a gain and Chrysler Corp. maintaining its pace, industry new passenger car production pushed upward to 130,343 units for a 4.7% increase over last week's 124,454 car assemblies, *Ward's* said, but was still 10.7% off the same year-ago week when 145,917 units were produced. This week's car output, however, recorded the largest volume of 1961.

For Ford Motor Co., car making was the best of any week since last October, *Ward's* indicated. American Motors and Studebaker-Packard exceeded any week's car yield at their plants since December.

According to the statistical agency, the week's 130,343 car completions were shared by the five major auto manufacturers as follows: General Motors, 47.0%; Ford Motor Co., 33.1%; Chrysler Corp., 11.8%; American Motors, 7.0%; and Studebaker-Packard, 1.1%.

Most of the industry's car assembly facilities followed five-day schedules for the week, *Ward's* said, but five plants planned to also work Saturday. Three others were restricted to four days.

On six-day programs this week were Chevrolet at Norwood, O.; Ford at Dearborn; Ford-Mercury at Mahwah, N. J.; and Falcon-Comet at Metuchen, N. J., and Lorain, O. GM's Buick-Oldsmobile-Pontiac facility at South Gate, Calif., held to four days as did Ford-Mercury at Los Angeles and Cadillac in Detroit. The GM plant at Linden, N. J., remained on strike a second week.

Truck production this week totaled 23,438 units compared with 22,853 last week and 25,163 in the same week last year. Divco, at Warren, Mich., was idle all this week in an inventory adjustment. At South Bend, Ind., Studebaker built trucks only one day, shutting down lines to permit modifications for diesel model manufacture. Ford operated its truck production facilities on six-day schedules at Louisville, Ky., Mahwah, N. J., and Lorain, O.

Electric Output 4.1% Higher Than in 1960 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, May 13, was estimated at 14,278,000,000 kwh., according to the Edison Electric Institute. Output was 72,000,000 kwh. above that of the previous week's total of 14,206,000,000 kwh. and 568,000,000 kwh., or 4.1% above that of the comparable 1960 week.

Lumber Shipments Were 1.6% Behind That of 1960 Volume

Lumber production in the United States in the week ended May 6, totaled 233,790,000 board feet, compared with 237,832,000 board feet in the prior week, according to reports from regional associations. A year ago the figure was 252,406,000 board feet.

Compared with 1960 levels, output declined 7.4%, shipments were down 1.6%, and orders dropped 6.1%.

Following are the figures in thousands of board feet for the weeks indicated:

	May 6, 1961	April 29, 1961	May 7, 1960
Production	233,790	237,832	252,406
Shipments	244,735	263,394	248,796
Orders	221,262	244,618	235,744

Business Failures Down in Latest Week Ending May 11

Commercial and industrial failures dropped down to 368 in the week ended May 11 from 399 in the preceding week, reported Dun & Bradstreet, Inc. However, casualties continued to exceed last year's toll of 304 for the similar week and the 1959 toll of 311. As well, business mortality ran some 15% above the pre-war level of 321 in 1939.

Failures with liabilities in excess of $100,000 dipped to 44 from 50 a week earlier but remained above the 35 of this size last year. A week-to-week decline also occurred in casualties involving losses under $100,000, which turned down to 324 from 349 last week although they exceeded considerably their 1960 level of 269.

Freight Car Loadings for Week Ended May 6 Was 1/10th of 1% Below Preceding Week

Loading of revenue freight in the week ended May 6, 1961, totaled 543,544 cars, the Association of American Railroads announced. This was a decrease of 812 cars or 1/10 of 1% below the preceding week.

The loadings represented a decrease of 98,256 cars or 15.3% below the corresponding week in 1960, and a decrease of 134,616 cars or 19.9% below the corresponding week in 1959.

There were 11,425 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended April 29, 1961 (which were included in that week's over-all total). This was an increase of 286 cars or 2.7% above the corresponding week of 1960 and an increase of 3,113 cars or 37.5% above the 1959 week.

Cumulative piggyback loadings for the first 17 weeks of 1961 totaled 179,886 for an increase of 2,853 cars or 1.6% above the corresponding period of 1960 and 54,571 cars or 43.5% above the corresponding period in 1959. There were 58 Class I U. S. railroad systems originating this type traffic in the current week compared with 52 one year ago and 47 in the corresponding week in 1959.

Intercity Truck Tonnage for Week Ended May 6 Was 0.8% Below Corresponding 1960 Week

Intercity truck tonnage in the week ended May 6, was less than 1% below that of the corresponding week of 1960, off 0.8%, the American Trucking Associations, Inc., announced. Truck tonnage was 2.2% ahead of the volume for the previous week of this year.

These findings are based on the weekly survey of 34 metropolitan areas conducted by the ATA Department of Research and Transport Economics. The report reflects tonnage handled at more than 400 truck terminals of common carriers of general freight throughout the country.

Wholesale Food Price Index Shows Fifth Consecutive Decline

The Wholesale Food Price Index, compiled by Dun & Bradstreet, Inc., dipped somewhat in the latest week, for the fifth week-to-week decline in a row. On May 16 it stood at $5.90, down 0.3% from the week earlier $5.92, and 0.7% below the $5.94 of the corresponding week a year ago. The current level was the lowest since the $5.90 of Aug. 31, 1960.

Higher in wholesale price this week were wheat, corn, oats, hams, lard, sugar and coffee. Commodities quoted lower were flour, rye, barley, beef, cottonseed oil, cocoa, eggs, steers and lambs.

The Dun & Bradstreet, Inc. Wholesale Food Price Index represents the sum total of the price per pound of 31 raw foodstuffs and meats in general use. It is not a cost-of-living index. Its chief function is to show the general trend of food prices at the wholesale level.

Wholesale Commodity Price Index Rises Moderately from Prior Week

The general wholesale commodity price level rose moderately this week from the prior period, as price increases on grains, lard, coffee, sugar, hogs, lambs, cotton and rubber offset declines on flour and steers. The Daily Wholesale Commodity Price Index, compiled by Dun & Bradstreet, Inc., stood at 269.27 (1930-32=100) on May 15, compared with 268.37 a week earlier and 275.38 on the corresponding date a year ago.

Retail Volume Appreciably Below Year Ago

Up against unpleasant weather and an earlier Mother's Day last year, retailers reported an appreciable dip from last year in over-all volume in the week ended this Wednesday. The most noticeable decreases from a year ago occurred in women's apparel and major appliances and more moderate dips were reported in men's apparel, furniture, floor coverings, new passenger cars, and linens.

The total dollar volume of retail trade in the week ended this Wednesday was 5 to 9% below a year ago, according to spot estimates collected by Dun & Bradstreet, Inc. Regional estimates varied from the comparable 1960 levels by the following percentages: Middle Atlantic and Pacific Coast —7 to —11; South Atlantic —6 to —10; East North Central —5 to —9; West North Central —2 to —6; New England, East South Central, and Mountain —1 to —5; West South Central 0 to +4.

Nationwide Department Store Sales Down 10% From 1960 Week

Department store sales on a country-wide basis taken from the Federal Reserve Board's index for the week ended May 6, 1961, showed a decrease of 10% below the like period last year. For the week ended April 29, a decrease of 3% was reported. For the four weeks ended May 6, 1961, an 8% loss was reported.

According to the Federal Reserve System, department store sales in New York City for the week ended May 6, showed a 9% loss over the same period last year. In the preceding week ended April 29, sales showed a 5% increase over the same period last year. For the four weeks ended May 6, a 6% decrease was reported below the 1960 period, while from Jan. 1 to May 6 no change occurred over last year's sales.

Indications of Current Business Activity

The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or in cases of quotations, are as of that date:

		Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:					
Indicated steel operations (per cent capacity)	May 21	68.0	66.0	60.0	71.7
Equivalent to—					
Steel ingots and castings (net tons)	May 21	1,988,000	1,943,000	1,748,000	2,042,000
AMERICAN PETROLEUM INSTITUTE:					
Crude oil and condensate output—daily average (bbls. of 42 gallons each)	May 5	7,138,610	7,249,010	7,226,560	6,949,960
Crude runs to stills—daily average (bbls.)	May 5	7,878,000	7,738,000	7,899,000	7,788,000
Gasoline output (bbls.)	May 5	27,470,000	27,483,000	27,980,000	26,924,000
Kerosene output (bbls.)	May 5	2,331,000	2,173,000	2,872,000	2,010,000
Distillate fuel oil output (bbls.)	May 5	11,340,000	11,275,000	11,284,000	11,636,000
Residual fuel oil output (bbls.)	May 5	5,788,000	5,930,000	6,032,000	5,697,000
Stocks at refineries, bulk terminals, in transit, in pipe lines—					
Finished and unfinished gasoline (bbls.) at	May 5	216,732,000	219,317,000	225,659,000	218,772,000
Kerosene (bbls.) at	May 5	26,897,000	26,226,000	26,619,000	21,468,000
Distillate fuel oil (bbls.) at	May 5	84,857,000	84,008,000	88,507,000	83,501,000
Residual fuel oil (bbls.) at	May 5	41,715,000	41,275,000	42,517,000	38,705,000
ASSOCIATION OF AMERICAN RAILROADS:					
Revenue freight loaded (number of cars)	May 6	543,544	544,356	505,930	641,800
Revenue freight received from connections (no. of cars)	May 6	496,408	494,937	472,773	552,233
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:					
Total U. S. construction	May 11	$559,700,000	$418,800,000	$364,100,000	$385,800,000
Private construction	May 11	340,700,000	173,800,000	177,300,000	206,000,000
Public construction	May 11	219,000,000	245,000,000	186,800,000	179,800,000
State and municipal	May 11	173,100,000	191,900,000	151,700,000	140,600,000
Federal	May 11	45,900,000	53,100,000	35,100,000	39,200,000
COAL OUTPUT (U. S. BUREAU OF MINES):					
Bituminous coal and lignite (tons)	May 6	7,315,000	*7,355,000	6,600,000	8,398,000
Pennsylvania anthracite (tons)	May 6	321,000	300,000	265,000	278,000
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE=100	May 6	140	146	128	156
EDISON ELECTRIC INSTITUTE:					
Electric output (in 000 kwh.)	May 13	14,278,000	14,206,000	14,434,000	13,710,000
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.	May 11	368	399	383	304
IRON AGE COMPOSITE PRICES:					
Finished steel (per lb.)	May 8	6.196c	6.196c	6.196c	6.196c
Pig iron (per gross ton)	May 8	$66.44	$66.44	$66.44	$66.41
Scrap Steel (per gross ton)	May 8	$36.50	$36.50	$39.17	$33.17
METAL PRICES (E. & M. J. QUOTATIONS):					
Electrolytic copper—					
Domestic refinery at	May 10	29.600c	29.600c	28.600c	32.600c
Export refinery at	May 10	29.450c	28.800c	27.525c	30.450c
Lead (New York) at	May 10	11.000c	11.000c	11.000c	12.000c
Lead (St. Louis) at	May 10	10.800c	10.800c	10.800c	11.800c
‡Zinc (delivered) at	May 10	12.000c	12.000c	12.000c	13.500c
Zinc (East St. Louis) at	May 10	11.500c	11.500c	11.500c	13.000c
Aluminum (primary pig, 99.5%) at	May 10	26.000c	26.000c	26.000c	26.000c
Straits tin (New York) at	May 10	110.250c	107.750c	106.750c	99.125c
MOODY'S BOND PRICES DAILY AVERAGES:					
U. S. Government Bonds	May 16	89.58	89.48	88.08	84.71
Average corporate	May 16	87.86	87.72	88.13	84.94
Aaa	May 16	92.35	92.06	92.50	89.51
Aa	May 16	90.20	90.20	90.63	87.32
A	May 16	87.18	87.18	87.72	84.43
Baa	May 16	82.15	82.03	82.27	78.90
Railroad Group	May 16	85.20	85.33	85.59	82.52
Public Utilities Group	May 16	88.95	88.95	89.37	85.33
Industrials Group	May 16	89.23	89.09	89.51	86.91
MOODY'S BOND YIELD DAILY AVERAGES:					
U. S. Government Bonds	May 16	3.63	3.64	3.79	4.09
Average corporate	May 16	4.57	4.58	4.55	4.79
Aaa	May 16	4.25	4.27	4.24	4.45
Aa	May 16	4.40	4.40	4.37	4.61
A	May 16	4.62	4.62	4.58	4.83
Baa	May 16	5.01	5.02	5.00	5.28
Railroad Group	May 16	4.77	4.76	4.74	4.98
Public Utilities Group	May 16	4.49	4.49	4.46	4.76
Industrials Group	May 16	4.47	4.48	4.45	4.64
MOODY'S COMMODITY INDEX	May 16	366.0	364.3	366.1	382.2
NATIONAL PAPERBOARD ASSOCIATION:					
Orders received (tons)	May 6	371,060	320,272	325,808	345,576
Production (tons)	May 6	325,861	319,809	305,857	312,547
Percentage of activity	May 6	93	91	86	93
Unfilled orders (tons) at end of period	May 6	466,293	421,325	459,067	475,187
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE=100	May 12	113.11	113.05	113.02	110.95
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS					
Transactions of specialists in stocks in which registered—					
Total purchases	Apr. 21	3,880,930	4,072,180	4,208,140	2,268,570
Short Sales	Apr. 21	683,320	727,870	795,120	405,650
Other sales	Apr. 21	3,227,330	3,179,710	3,294,260	1,955,400
Total sales	Apr. 21	3,910,650	3,907,580	4,089,380	2,361,050
Other transactions initiated off the floor—					
Total purchases	Apr. 21	557,090	653,640	704,970	370,460
Short Sales	Apr. 21	40,000	49,800	40,290	44,700
Other sales	Apr. 21	598,200	555,180	714,960	370,130
Total sales	Apr. 21	638,200	604,980	755,250	414,830
Other transactions initiated on the floor—					
Total purchases	Apr. 21	1,021,381	1,147,570	1,142,565	716,082
Short Sales	Apr. 21	111,690	147,810	191,410	104,820
Other sales	Apr. 21	949,816	1,081,427	1,354,366	722,275
Total sales	Apr. 21	1,061,506	1,229,237	1,545,776	827,095
Total round-lot transactions for account of members—					
Total purchases	Apr. 21	5,459,401	5,873,390	6,055,675	3,355,112
Short Sales	Apr. 21	835,010	925,480	1,026,820	555,170
Other sales	Apr. 21	4,775,346	4,816,317	5,363,586	3,047,805
Total sales	Apr. 21	5,610,356	5,741,797	6,390,406	2,602,975
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE — SECURITIES EXCHANGE COMMISSION					
Odd-lot sales by dealers (customers' purchases)—†					
Number of shares	Apr. 21	2,691,386	2,810,582	2,751,549	1,894,274
Dollar value	Apr. 21	$139,772,237	$150,037,439	$141,255,991	$95,585,664
Odd-lot purchases by dealers (customers' sales)—					
Number of orders—Customers' total sales	Apr. 21	2,766,569	2,922,171	2,797,188	1,643,615
Customers' short sales	Apr. 21	8,207	10,039	6,726	14,562
Customers' other sales	Apr. 21	2,758,362	2,912,132	2,790,462	1,629,053
Dollar value	Apr. 21	$126,504,452	$145,721,988	$133,801,257	$80,079,227
Round-lot sales by dealers—					
Number of shares—Total sales	Apr. 21	830,600	883,820	870,250	438,980
Short Sales	Apr. 21	------	------	------	------
Other sales	Apr. 21	830,600	883,820	870,250	438,980
Round-lot purchases by dealers—Number of shares	Apr. 21	707,950	781,820	767,810	647,870
TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):					
Total round-lot sales—					
Short Sales	Apr. 21	979,640	1,022,470	1,150,510	692,620
Other sales	Apr. 21	24,894,610	25,630,680	27,325,510	14,745,520
Total sales	Apr. 21	25,874,250	26,653,150	28,476,020	15,438,140
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1947-49=100):					
Commodity Group—					
All commodities	May 9	119.1	119.3	119.4	119.9
Farm products	May 9	86.9	87.4	88.1	91.5
Processed foods	May 9	108.4	108.5	109.0	107.3
Meats	May 9	93.6	*93.6	95.0	97.1
All commodities other than farm and foods	May 9	127.8	128.0	127.9	128.4

*Revised figure. †Number of orders not reported since introduction of Monthly Investment Plan. ‡Prime Western Zinc sold on delivered basis at centers where freight from East St. Louis exceeds one-half cent a pound.

	Latest Month	Previous Month	Year Ago
BUILDING PERMIT VALUATION — DUN & BRADSTREET, INC.—217 CITIES—Month of March:			
New England	$37,303,409	$11,595,936	$23,513,930
Middle Atlantic	125,135,802	118,290,956	185,282,814
South Atlantic	57,559,814	34,164,790	63,580,208
East Central	131,917,368	73,775,654	90,942,023
South Central	107,369,662	83,078,264	109,396,294
West Central	56,408,591	31,824,223	28,878,541
Mountain	29,882,635	29,506,894	35,087,559
Pacific	146,327,680	110,950,848	156,176,768
Total United States	$691,904,961	$493,187,565	$692,858,137
New York City	85,530,462	88,540,730	133,454,537
Total outside New York City	$606,374,499	$404,656,835	$559,403,600
COKE (BUREAU OF MINES)—Month of Mar.:			
Production (net tons)	3,723,875	*3,357,330	6,377,675
Oven coke (net tons)	3,653,657	*3,295,971	6,243,212
Beehive coke (net tons)	70,218	*61,359	134,463
Oven coke stocks at end of month (net tons)	4,696,808	*4,781,011	3,673,465
COTTON GINNING (DEPT. OF COMMERCE):			
Final report, running bales	14,265,038	------	14,515,111
EDISON ELECTRIC INSTITUTE—			
Kilowatt-hour sales of ultimate consumers—Month of February (000's omitted)	58,100,728	59,435,999	56,809,335
Revenue from ultimate customers—Month of February	$997,602	$1,010,932	$952,027
Number of ultimate customers at Feb. 28	58,782,684	58,741,463	57,787,735
MANUFACTURERS' INVENTORIES & SALES Month of March (millions of dollars):			
Inventories—			
Durables	$30,780	*$30,910	$32,060
Nondurables	23,060	*23,160	22,640
Total	$53,840	*$54,080	$54,700
Sales	31,220	27,420	32,470
MOODY'S WEIGHTED AVERAGE YIELD—100 COMMON STOCKS—Month of April:			
Industrials (125)	3.11	3.11	3.56
Railroads (25)	5.00	4.84	5.70
Utilities (not incl. Amer. Tel. & Tel.) (24)	3.26	3.25	3.97
Banks (15)	3.54	3.51	3.92
Insurance (10)	2.51	2.50	2.93
Average (200)	3.15	3.15	3.68
NEW YORK STOCK EXCHANGE—			
As of March 31 (000's omitted):			
Member firms carrying margin accounts—			
Total customers' net debit balances	$3,659,000	$3,426,000	$3,145,000
Credit extended to customers	55,000	68,000	117,000
Cash on hand and in banks in U. S.	427,000	453,000	366,000
Total of customers' free credit balances	1,507,000	1,392,000	988,000
Market value of listed bonds	109,936,802	107,594,209	109,655,449
Market value of listed shares	347,575,879	337,490,000	287,416,163
Member borrowings on U. S. Govt. issues	561,000	806,000	579,000
Member borrowings on other collateral	2,056,000	2,047,000	2,219,000
PORTLAND CEMENT (BUREAU OF MINES)—			
Month of March:			
Production (barrels)	21,851,000	15,038,000	18,422,000
Shipments from mills (barrels)	39,165,000	14,351,000	17,681,000
Stocks at end of month (barrels)	38,234,000	38,531,000	39,165,000
Capacity used (per cent)	59	45	53
RAILROADS EARNINGS CLASS I ROADS (ASSOCIATION OF AMERICAN RRs.)—Month of March:			
Total operating revenues	$761,284,757	$668,304,817	$847,869,463
Total operating expenses	611,238,627	573,715,402	658,753,065
Taxes	86,092,308	68,643,141	98,142,316
Net railway operating before charges	32,070,404	4,825,041	61,214,646
Net income after charges (estimated)	14,000,000	20,000,000	44,000,000
RUBBER MANUFACTURING ASSOCIATION, INC.—Month of March:			
Passenger & Motorcycle Tires (Number of)—			
Shipments	8,081,591	6,125,314	8,578,397
Production	8,195,726	7,643,402	9,679,058
Inventory	25,385,004	25,267,809	24,144,386
Tractor Implement Tires (Number of)—			
Shipments	388,229	330,394	359,974
Production	369,434	305,253	327,486
Inventory	939,174	947,857	1,029,625
Passenger, Motorcycle, Truck and Bus Inner-Tubes (Number of)—			
Shipments	3,857,604	3,276,879	3,281,836
Production	3,359,209	3,139,675	4,240,827
Inventory	9,013,775	9,246,056	10,112,657
Tread Rubber (Camelback)—			
Shipments (pounds)	35,342,000	31,170,000	35,233,000
Production (pounds)	34,708,000	31,003,000	33,617,000
Inventory (pounds)	17,865,000	19,126,000	27,776,000
Truck and Bus Tires (Number of)—			
Shipments	1,084,356	878,625	1,158,457
Production	1,015,962	947,542	1,436,191
Inventory	4,000,230	4,069,846	3,777,038
SELECTED INCOME ITEMS OF U. S. CLASS I RYS. (Interstate Commerce Commission)—Month of January:			
Net railway operating income	*$4,052,337	$34,288,799	$43,523,371
Other income	35,574,571	60,999,648	26,852,515
Total income	31,522,234	95,288,447	70,375,886
Miscellaneous deductions from income	4,692,330	7,790,741	4,597,187
Income available for fixed charges	26,829,904	87,497,706	65,778,699
Total fixed charges	31,039,423	30,793,493	31,140,642
Income after fixed charges	*4,209,519	56,704,213	34,638,057
Other deductions	3,706,464	4,039,167	4,219,017
Net income	*7,915,983	52,665,046	30,419,040
Depreciation (way & structure & equipment)	53,152,775	51,886,098	51,898,399
Federal income taxes	10,472,315	Cr7,824,238	17,039,211
Dividend appropriations:			
On common stock	31,759,208	24,110,682	24,092,557
On preferred stock	3,558,650	3,688,643	4,386,522
Ratio of income to fixed charges	0.86	2.84	2.11
*Deficit.			
U. S. GOVT. STATUTORY DEBT LIMITATION			
As of April 30 (000's omitted):			
Total face amount that may be outstanding at any time	$293,000,000	$293,000,000	$295,000,000
Outstanding—			
Total gross public debt	287,987,166	287,471,401	288,787,347
Guaranteed obligations not owned by the Treasury	219,097	210,844	131,729
Total gross public debt & guaranteed obligations	$288,206,264	$287,682,245	$288,919,076
Deduct—Other outstanding public debt obligations not subject to debt limitation	397,593	398,265	407,970
Grand total outstanding	$287,808,671	$287,283,980	$288,511,106
Balance face amount of obligations issuable under above authority	5,191,328	5,716,019	6,488,893
UNITED STATES GROSS DEBT DIRECT AND GUARANTEED—(000's omitted):			
As of April 30	$288,206,264	$287,682,245	$288,919,076
General funds balance	4,033,617	4,794,166	6,294,154
Net debt	$284,172,647	$282,888,079	$282,624,922
Computed annual rate	3.091%	3.109%	3.325%

NSTA NOTES

NATIONAL SECURITY TRADERS ASSOCIATION

Joseph E. Smith, Newburger & Company, Philadelphia, President of the National Security Traders Association, has sent the following communication to members regarding the 4% dividend tax credit and $50 dividend exclusion:

"Again for the third year we are faced with a strong attempt to abolish this modest relief from double taxation. Previous efforts at repeal took the form of amendments to other tax measures. You will recall how perilously close they came to being successful. Only the splendid cooperation from members and shareowners in our stuffer and letter campaigns prevented repeal.

"This year there is an added factor in the battle in that the Administration has recommended repeal legislation. The President's April tax message to Congress offered a plan to stimulate the economy by giving up revenues on corporate profits in the form of a tax credit for new investment or liberalized depreciation allowances. To offset this loss of revenue the Administration called for repeal of the 4% dividend tax credit, elimination of the $50 dividend exclusion and the imposition of a tax withholding system on dividend and interest income.

"Your Executive Committee believes that this would be bad not only for our industry but for our customers and for our country. We urge that each member of NSTA endeavor to have every partner and Registered Representative of his firm contact personally a MINIMUM of 10 customers with the request that they write their Congressman and Senators in an effort to defeat this legislation."

A "stuffer" is available for inclusion in customer's statements or confirmations without charge. Members desiring them should write Mr. Smith.

DENVER BOND CLUB

Final League Standing for 1960-1961 in the Denver Bond Club Bowling League is announced:

Position	*Team*
1st	"Mavericks"
2nd	J. A. Hogle & Co.
3rd	Garrett-Bromfield & Co.
4th	Boettcher & Co.
5th	Founders Mutual Depositor Corp.
6th	Trevor Currie Investments
7th	Bosworth, Sullivan & Co.
8th	Merrill Lynch, Pierce, Fenner & Smith Incorporated
9th	Peters, Writer & Christensen, Inc.
10th	Merrill Lynch, Pierce, Fenner & Smith Incorporated
11th	Cruttenden, Podesta & Co.
12th	Peters, Writer & Christensen, Inc.

High Team Game—Founders Mutual Depositor Corp. 655
High Team Series—J. A. Hogle & Co. 1705

Individual Prizes

High Game—Lee (Mavericks) and Mayer (J. A. Hogle & Co.) 275
High Series—White (Founders Mutual Depositor Corp.) 667

Individual position prize awards were won by Karl Mayer, J. A. Hogle & Co.; Douglas White, Founders Mutual Depositor Corp.; Neiswanger, "Mavericks."

Winners of Final Night Team Handicap Were:

1st — Boettcher & Company
2nd — Founders Mutual Depositor Corp.
3rd — "Mavericks"
4th — Trevor Currie Investments
Low— Merrill Lynch, Pierce, Fenner & Smith Incorporated

The Committee for 1961-62 Will Be:

James Struthers, Garrett-Bromfield & Co.; Harold Haag, Peters, Writer & Christensen, Inc.; Oscar Hasselgren, Walston & Co., Inc.; and Karl Mayer, J. A. Hogle & Co.

SECURITY TRADERS ASSOCIATION OF NEW YORK

The Security Traders Association of New York Bowling League will hold its annual dinner Thursday, June 8 at Whyte's, 344 West 57th Street at 5:30 p.m. Reservations may be obtained through Sidney Jacobs, Sidney Jacobs Co.

KANSAS CITY SECURITY TRADERS ASSOCIATION

The Kansas City Security Traders Association will hold their annual summer party June 15 and 16. A cocktail party will be held June 15 at the Hotel Continental. On Friday, June 16, there will be an outing and dinner at the Meadowbrook County Club. Tariff for the entire party is $35. Reservations may be made with Francis D. Bertrand, H. O. Peet & Co.

SECURITY TRADERS ASSOCIATION OF CONNECTICUT

The Security Traders Association of Connecticut will hold their annual summer outing on June 2 at the Race Brook County Club, Orange, Conn. There will be an informal luncheon at noon with golf and other activities during the afternoon. Cocktails at 5 p.m. and dinner at 7 p.m.

Joins Lowell, Murphy

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo.—Richard C. Luby has joined the staff of Lowell, Murphy & Co., Inc., Denver Club Building. Mr. Luby was formerly with Quinn & Co.

Coburn, Middlebrook Brch.

NEW LONDON, Conn. — Coburn & Middlebrook, Incorporated has opened a branch office at 253 State Street under the management of Marshall J. Sklarew.

Pitfalls of Credit Buying

By Roger W. Babson

Fearful that the advice may be taken to solve the unemployment problem by expanding consumer instalment buying, Mr. Babson warns how costly such a practice can be. The veteran financial adviser distinguishes between the two major classifications of consumer credit and has some advice for young couples.

I hear that some of the college professors who are advising President Kennedy on means of increasing employment favor expanding consumer installment buying.

Present Extent of the Credit Business

Credit comes in two forms: (1) When your wife goes to her favorite store and has her purchases "charged." The store looks up her record through the Municipal Credit Bureau. If she has no black marks against her, the goods are given her or sent to her home. When the monthly bill is sent for these goods, the store expects a payment in a short time, —30 days later as a maximum. The stores really like to encourage such charge accounts, as your wife is likely to buy more if she can charge the goods rather than pay cash.

The other form of credit purchase is where the buyer gives a note, or several notes, payable on specified dates, with power of repossession of the goods on a certain date after reasonable notice in case a note is not paid. I do not object *per se* to such installment buying, especially on refrigerators, television sets, washing machines, clothes dryers, and other household appliances which can be repossessed in good condition. I, however, earnestly urge that you read the light fine print on the agreement and really understand what you are asked to sign.

Houses, Automobiles, and Furniture

As I read the advertisements today on new homes for sale, I am astounded at the way they can be bought by veterans without any down payment, or can be bought by anyone at very small down payments and a long mortgage of 30 or more years. This is very different from when I was a young man getting married. Then we were compelled to pay one-third in cash and the mortgage would be written for only five years. When talking to students of Babson Institute, I call to their attention the economics of birds, which build their "houses" before they are "married" and raise any little birds.

To young people buying furniture on the installment plan, I am not prepared now to give definite advice. The laws of different states vary as to the rights of repossession. If you are behind in the payments on a house, it is a long legal process for the mortgagee to get you out of the house, especially if you are willing to pay a reasonable rent. If you are behind in your payments for a television set or some other luxury item, and default on these payments, you must be prepared to let the store take it back before you damage it. This also applies to certain household utilities mentioned above.

When it comes to buying furniture on installment, a young couple should carefully consider each item purchased. One installment note and agreement should cover the bedroom furniture; another note and agreement should cover the living room furniture; and a third note and agreement could cover the dining room set. All incidentals should be paid for in cash. Furthermore, the three sets of furniture should not be bought at the same time; but in the order above outlined, say at least a month apart, even if you are obliged to "camp out" for a few weeks. As I look back to my early married days, we got considerable pleasure out of gradually furnishing our little house. Surely more pleasure comes in **striving** than in **arriving.**

Statistics Which Should Be Read

Let me close this column by giving some statistics for bankers, merchants, and parents to read. These figures are based upon a survey by the University of Michigan. The survey showed that 68% of American households are in debt in one form or another. 48% of the families are saddled with periodic installment debt repayments; 31% owe mortgage debts; 24% owe on noninstallment debt. According to the study, 14% of the families owing installment debt are "in hock" for over $1,000, —double the proportion only five years ago.

The survey had one encouraging note. Namely, that about one-third of the families owing installment debt report that they have enough savings to offset their debt. For those who rationalize that installment buying keeps their savings intact, I would like to point out that statistics show this is a very costly practice.

New Bache Office

EATONTOWN, N. J.—The nationwide investment firm of Bache & Co., members of the New York Stock Exchange and other leading securities and commodity exchanges, has announced the official opening of an Investor Service Center in the Monmouth Shopping Center, Eatontown, N. J. Lee Polk Brown, a veteran of more than 20 years experience in the investment field, is Manager of the new Center, the fourth to be established by Bache & Co. in the Greater New York Metropolitan Area, and the first in a shopping center.

Securities Now in Registration

★ INDICATES ADDITIONS SINCE PREVIOUS ISSUE
● ITEMS REVISED

NOTE—Because of the large number of issues awaiting processing by the SEC, it is becoming increasingly difficult to predict offering dates with a high degree of accuracy. The dates shown in the index and in the accompanying detailed items reflect the expectations of the underwriter but are not, in general, to be considered as firm offering dates.

● Accesso Corp. (6/15)
Jan. 30, 1961 filed 40,000 shares of common stock and 40,000 shares of preferred stock (par $10) to be offered for public sale in units consisting of one share of common and one share of preferred stock. **Price**—$15 per unit. **Business**—The company is engaged in the design, manufacture and sale of fluorescent lighting systems, acoustical tile hangers, metal tiles and other types of acoustical ceiling systems. **Proceeds**—For the repayment of loans and general corporate purposes. **Office** — 3425 Bagley Avenue, Seattle, Wash. **Underwriter**—Ralph B. Leonard & Sons, Inc., New York City (managing).

Acme Missiles & Construction Corp.
Jan. 6, 1961 filed 30,000 outstanding shares of class A common stock. **Price** — To be supplied by amendment. **Business**—The construction and installation of missile launching platforms. **Proceeds**—To selling stockholders. **Office** — 43 North Village Avenue, Rockville Centre, N. Y. **Underwriter**—None.

● Action Discount Dollars Corp.
April 14, 1961 (letter of notification) 42,500 units, each unit to consist of one share of common stock (par one cent) and one share of class A stock (par $1). **Price**—$7 per unit. **Business**—The sale and redemption of trading stamps. **Proceeds** — For printing trading stamps, catalogues; advertising and franchise development. **Office**—26 Broadway, New York, N. Y. **Underwriter**—J. B. Coburn Associates, Inc., New York, N. Y. **Offering**—Imminent.

A-Drive Auto Leasing System, Inc.
Jan. 19, 1961 filed 100,000 shares of class A stock, of which 75,000 are to be offered for public sale by the company and 25,000 shares, being outstanding stock, by the present holders thereof. **Price**—$10 per share. **Business**—The company is engaged in the business of leasing automobiles and trucks for periods of over one year. **Proceeds**—To repay loans; open new offices in Philadelphia, Pa., and New Haven, Conn.; lease and equip a large garage in New York City and lease additional trucks. **Office**—1616 Northern Boulevard, Manhasset, N. Y. **Underwriter**—Hill, Darlington & Grimm, New York City (managing). **Offering**—Imminent.

★ Aeroflex Laboratories, Inc.
May 8, 1961 (letter of notification) 100,000 shares of common stock (par $1). **Price**—$3 per share. **Business**—The manufacture of mechanisms and precision stabilization devices. **Proceeds**—For working capital, and general corporate purposes. **Office**—48-25 36th St., Long Island City, N. Y. **Underwriter**—None.

Advanced Investment Management Corp.
Jan. 13,1961 filed 300,000 shares of common stock. **Price** —$3.50 per share. **Business**—The company was organized in October, 1960 to operate an insurance home office service and management company with the related secondary purpose of owning investments in entities engaged in the insurance business. **Proceeds**—The company will use the proceeds estimated at $851,895 as a reserve for the acquisition of interests in life insurance; for furniture and fixtures; for the establishment of a sales organization and for working capital. **Office**—The Rector Building, Little Rock, Ark. **Underwriter**—Advanced Underwriters, Inc., Little Rock, Ark.

★ Air-Space Devices Inc.
May 4, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Proceeds** — For repayment of bank loans, expansion, new equipment, and working capital. **Office**—1024 Burbank Blvd., Burbank, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco, Calif.

Aldens, Inc.
April 21, 1961 filed $15,000,000 of sinking fund debentures due 1981. **Business**—The mail order and retail sale of merchandise. **Proceeds**—For general funds. **Office**—5000 W. Roosevelt Road, Chicago, Ill. **Underwriter** — Lehman Brothers, New York City (managing). **Offering**—Expected in late June.

● Allison Business Services, Inc. (6/6)
April 17, 1961 (letter of notification) 100,000 shares of capital stock (par 10 cents). **Price**—$3 per share. **Business**—The supplying of temporary office personnel. **Proceeds**—To purchase assets of Rapid Computing Co., Inc. and for general corporate purposes. **Office**—122 E. 42nd Street, New York, N. Y. **Underwriter**—Hancock Securities Corp., New York, N. Y.

Almar Rainwear Corp.
April 28, 1961 filed 120,000 shares of common stock. **Price** — To be supplied by amendment. **Business** — The manufacture and sale of plastic film raincoats and related items for men, women and children. **Proceeds**—For inventory, taxes, accrued sales commissions and working capital. **Office**—Washington, Ga. **Underwriter** —D. H. Blair & Co., New York City (managing).

★ Alside, Inc.
May 11, 1961 filed 200,000 outstanding shares of common stock to be offered for public sale by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of aluminum siding and paneling for houses. **Proceeds** — For the selling stockholders. **Office**—3773 Akron-Cleveland Rd., Akron, O. **Underwriter** — Reynolds & Co., Inc., New York City (managing).

★ Amcrete Corp.
May 4, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business** — The sale of pre-cast and pre-stressed concrete panels for swimming pools and pumps, filters, ladders, etc. **Proceeds**—For building test pools; advertising, inventory and working capital. **Office**—102 Mamaroneck Avenue, Mamaroneck, N. Y. **Underwriter**—Alexandria Investments & Securities, Inc., Washington, D. C.

America-Israel Phosphate Co.
Dec. 23, 1960 filed 125,000 shares of common stock, each share of which carries two warrants to purchase two additional common shares in the next issue of shares, at a discount of 25% from the offering price. **Price**—$4 per share. **Business**—The prospecting and exploration for phosphate mineral resources in Israel. **Proceeds**—For general business purposes. **Office** — 82 Beaver Street, New York City. **Underwriter**—Seminole Securities Co., Inc., Pittsburgh, Pa., and New York City.

American Broadcasting-Paramount Theatres Inc. (5/23)
April 12, 1961 filed 140,000 outstanding shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—The operation of television, radio and motion picture theatre facilities and phonograph records and music publishing. **Proceeds**—For the selling stockholder. **Office**—7 West 66th St., New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Cyrus J. Lawrence & Sons, both of New York City (managing).

American Facsimile Corp.
April 28, 1961 (letter of notification) 40,000 shares of common stock (par 25 cents). **Price**—$3 per share. **Business**—The manufacture of facsimile communication equipment. **Proceeds**—For equipment; sales promotion and advertising; research and development, and working capital. **Office**—160 Coit Street, Irvington, N. J. **Underwriter**—Shell Associates, Inc., New York, N. Y.

American Finance Co., Inc.
April 21, 1961 filed $500,000 of 6% convertible subordinated debentures due 1971; 75,000 shares of common stock, and 25,000 common stock purchase warrants to be offered for public sale in units consisting of one $200 debenture, 30 common shares and 10 warrants. **Price**—$500 per unit. **Business**—The company and its subsidiaries are primarily engaged in the automobile sale finance business. One additional subsidiary is a Maryland savings and loan association and two are automobile insurance brokers. **Proceeds**—For the retirement of debentures, and capital funds. **Office** — 1472 Broadway, New York City. **Underwriter**—Myron A. Lomasney & Co., New York City. **Offering**—Expected in late June.

American Gas Co.
March 22, 1961 filed 101,081 shares of common stock to be offered for subscription by stockholders on the basis of 2.7 new shares for each share held of record May 12 with rights to expire about May 26. **Price** — $3.50 per share. **Proceeds**—To repay bank loans and for construction. **Office**—546 South 24th Ave., Omaha, Neb. **Underwriter**—Cruttenden, Podesta & Co., Chicago (managing).

American Mortgage Investment Corp.
April 29, 1960 filed $1,800,000 4% 20-yr. collateral trust bonds and 1,566,000 shares of class A non-voting common stock. It is proposed that these securities will be offered for public sale in units (2,000) known as Investment Certificates, each representing $900 of bonds and 783 shares of stock. **Price**—$1,800 per unit. **Proceeds** —To be used principally to originate mortgage loans and carry them until market conditions are favorable for disposition. **Office** — 210 Center St., Little Rock, Ark. **Underwriter**—Amico, Inc.

★ American Photocopy Equipment Co.
May 16, 1961 filed 435,000 shares of common stock, of which 50,000 shares will be offered for the account of the company and 385,000 for certain selling stockholders. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of desk-top photocopy machines, paper and supplies, and binding equipment. **Proceeds**—The company will use its share of the proceeds for general corporate purposes. **Office**—2100 Dempster Street, Evanston, Ill. **Underwriter** — Lehman Brothers, New York City (managing).

★ American Telephone & Telegraph Co. (6/6)
May 12, 1961 filed $250,000,000 of debentures due June 1, 1998. **Proceeds**—To refund a like amount of 5⅜% debentures due Nov. 1, 1986 and for other corporate purposes. **Office**—195 Broadway, New York City. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Morgan Stanley & Co. **Bids**—To be received on June 6 at 11:30 a.m. (DST) in Room 2315, 195 Broadway, New York City.

● Amity Corp. (6/26-30)
Jan. 17, 1961 filed 88,739 shares of common stock (par $1). **Price**—$3 per share. **Business**—Land development, including the building of an air strip, a marina, and a housing cooperative. This is the issuer's first public financing. **Proceeds**—For general corporate purposes, in-

Transistor Stock Offered

Pursuant to an April 28 offering circular, First Weber Securities Corp., 79 Wall St., New York City, offered publicly 100,000 shares of Transistor Applications, Inc.'s no par common stock at $3 per share.

Transistor Applications, Inc. was incorporated in the Commonwealth of Massachusetts on Feb. 25, 1957. The company's plant and office are located at 103 Broad Street, Boston, Mass.

The company is a research, development and production organization in the semi-conductor electronics field. It specializes in transistorized test equipment, medical electronics and the development of advanced semi-conductor circuits and systems.

The company has paid no dividends since its inception.

The net proceeds from the sale of the 100,000 shares of stock offered, after deducting expenses, will be approximately $239,000. It is the intention of the company to allocate the proceeds for product development, expansion, sales promotion and working capital.

N. Y. Group of A. I. B. Elects

William L. Barton, Vice-President, Personnel and Public Relations of the East River Savings Bank, was elected President for the year 1961-62 of the New York Chapter, American Institute of Banking.

Elected to serve with Mr. Barton were: as First Vice-President, Sidney A. Trundle, Jr., Vice-President, Manufacturers Trust Company; as Second Vice-President, William J. Connellan, Assistant Manager, The Chase Manhattan Bank; as Treasurer, Joseph C. Cantwell, Assistant Treasurer, Bankers Trust Company; and as Chief Consul, Dorothy A. Ryan, The Marine Midland Trust Company of New York.

The Chapter's immediate Past President, George E. Brewer, Vice-President and Training Director, Chemical Bank New York Trust Company, summarized the year just passed expressing satisfaction in the educational accomplishment realized and entertaining enthusiastic optimism for the ever-increasing service to be rendered the city's banking community in the years to come. During the school year 1960-61, New York Chapter registered more than 4,900 bank staff members accounting for more than 7,900 class enrollments.

This year summer sessions are to be introduced and branch classes in the areas of the Bronx and Queens are to be conducted in the coming fall to serve employees working for banks in the outlying urban areas.

In Securities Business

ST. ALBANS, N. Y. — Robert F. Brown is engaging in a securities business from offices at 170-11 Fosh Blvd., under the firm name of American Institute of Investors Research. He was formerly an officer of J. T. Patterson & Co., Inc.

cluding $170,000 for construction and $12,000 for debt reduction. **Office**—Equitable Building, Baltimore, Md. **Underwriter**—Karen Securities Corp., New York City.

Apache Corp.
March 31, 1961 filed 300 units in the Apache Gas and Oil Program 1962. **Price**—$15,000 per unit. **Business**—The acquisition, holding, testing, developing and operating of gas and oil leaseholds. **Proceeds**—For general corporate purposes. **Office**—523 Marquette Ave., Minneapolis, Minn. **Underwriter** — The company and its subsidiary, APA, Inc., will act as underwriters for the Program.

● Apache Realty Corp. (7/10-14)
March 31, 1961 filed 1,000 units in the First Apache Realty Program. **Price**—$5,000 per unit. **Business**—The Program plans to engage in the real estate business, with emphasis on the acquisition, development and operation of shopping centers, office buildings and industrial properties. **Proceeds** — For investment. **Office** — 523 Marquette Ave., Minneapolis, Minn. **Underwriter**—Blunt Ellis & Simmons, Chicago (managing).

● Architectural Plastics Corp. (5/29)
April 20, 1961 (letter of notification) 103,191 shares of common stock (par $1) of which 26,326 shares are to be offered by the company and 76,865 shares by the underwriter. **Price**—$1.25 per share. **Proceeds**—For working capital. **Office**—1355 River Road, Eugene, Ore. **Underwriter**—Zilka, Smither & Co., Inc., Portland, Ore.

Arizona Color Film Processing Laboratories, Inc.
March 23, 1961 filed 2,100,500 shares of common stock to be offered for subscription by common stockholders on the basis of one new share for each share held. **Price**—22 cents per share. **Business**—The processing of black and white and color film. **Proceeds**—To repay loans and for working capital. **Office**—2 North 30th Street, Phoenix, Ariz. **Underwriter**—None.

Arizona Public Service Co. (5/23-6/13)
April 21, 1961 filed 488,986 shares of common stock (par $2.50), to be offered for subscription by common stockholders on the basis of one new share for each 15 shares held of record on May 23, with rights to expire June 13. **Price**—To be supplied by amendment. **Proceeds**—For expansion. **Office**—501 South Third Ave., Phoenix, Ariz. **Underwriters**—First Boston Corp., and Blyth & Co., Inc. (managing).

★ Arkansas Valley Industries, Inc.
May 12, 1961 filed $1,500,000 of convertible subordinated sinking fund debentures due 1976. **Price**—100% of principal amount. **Business**—The production and sale of chicken feed, hatching chicks and poultry. **Proceeds**—For new facilities, the improvement of marketing improvements, and for working capital. **Office**—Dardenelle, Ark. **Underwriter**—A. G. Edwards & Sons, St. Louis, Mo. (managing).

Armco Steel Corp. (5/23)
May 2, 1961 filed $50,000,000 of debentures due June 1, 1986. **Price**—To be supplied by amendment. **Proceeds**—To prepay a bank loan and for expansion. **Office**—703 Curtis St., Middletown, O. **Underwriter**—Smith, Barney & Co., Inc., New York City (managing).

● Arrow Electronics, Inc. (6/15)
March 30, 1961 filed 165,000 shares of common stock (par $1). **Price**—$5 per share. **Business**—The distribution of electronic equipment including high fidelity, radio and television components. **Proceeds**—To repay loans, expand facilities and for working capital. **Office** — 525 Jericho Turnpike, Mineola, L. I., N. Y. **Underwriter**—Arnold Malkan & Co., Inc., New York City.

Atlantic Fund for Investment in U. S. Government Securities, Inc.
July 22, 1960, filed 2,000,000 shares of common stock. **Price** — $25 per share. **Business** — A diversified investment company, which will become an open-end company with redeemable shares upon the sale and issuance of the shares being registered. **Proceeds**—For investment in U. S. Government securities. **Office**—50 Broad Street, New York City. **Underwriter**—Capital Counsellors, 50 Broad Street, New York City. **Note**—This company was formerly the Irving Fund for Investment in U. S. Government Securities, Inc.

Atohm Electronics
April 13, 1961 (letter of notification) 50,000 shares of common stock (par 25 cents). **Price**—$6 per share. **Proceeds**—To repay debt, purchase equipment and inventory, and for working capital. **Office**—7648 San Fernando Rd., Sun Valley, Calif. **Underwriter**—Francis J. Mitchell & Co., Inc., Newport Beach, Calif.

Audiographic Inc. (6/5-9)
Feb. 27, 1961 filed 150,000 shares of common stock. **Price**—$4 per share. **Business**—The manufacture and sale of fire and burglar warning systems. **Proceeds**—To establish subsidiaries, buy equipment to make component parts of warning systems now manufactured by others, reduce indebtedness, and for inventory, and for working capital. **Office**—Bellemore, L. I., N. Y. **Underwriter**—First Broad Street Corp., New York City (managing).

● Automated Procedures Corp. (6/26-30)
April 7, 1961 filed 110,000 shares of class A stock (par 5 cents). **Price**—$3 per share. **Business**—The company offers customized data processing service which involves the breaking up of complex accounting operations into simple tasks performable by its machines. **Proceeds**—To purchase additional equipment. **Office** — 71 West 23rd Street, New York City. **Underwriter**—Jay W. Kaufmann & Co., New York City.

● Automation Development, Inc. (5/22-26)
Jan. 27, 1961 (letter of notification) 40,000 shares of common stock (par 5 cents). **Price**—$3.75 per share. **Proceeds**—For further development of the "Skyjector." **Office**—342 Madison Ave., New York City. **Underwriter**—First Philadelphia Corp., New York, N. Y., and United Planning Corp., Newark, N. J.

● Automotive Vacuum Control Corp. (5/22)
March 30, 1961 (letter of notification) 60,000 shares of common stock (par $1). **Price**—$5 per share. **Proceeds**—For advertising, new products and working capital. **Office**—1007 East Second Street, Wichita, Kan. **Underwriter**—Donald J. Hinkley & Co., Inc., Denver, Colo.

● B. M. C. Industries, Inc.
March 1, 1961 filed 50,000 shares of 7% non-cumulative preferred stock (par $7.50); and 200,000 shares of common stock (par one cent), of which 50,000 shares are to be offered for public sale by the company and 150,000 outstanding shares by the present holder thereof. The offering will be made in units, each unit to consist of one preferred share and four common shares. **Price**—$11.50 per unit. **Business**—The company, formerly Beakatron Manufacturing Corp., manufactures, assembles and distributes a diverse line of electronic components for use in guidance and communication systems. **Proceeds**—For expansion and working capital. **Office**—1101-1109 Utica Ave., Brooklyn, N. Y. **Underwriter**—International Services Corp., Paterson, N. J. **Offering**—Imminent.

Bel-Aire Products, Inc.
April 14, 1961 (letter of notification) 150,000 shares of common stock. **Price**—At par ($2 per share). **Proceeds**—For repayment of a loan, new equipment, lease of a plant, and working capital. **Office** — 25970 W. 8 mile Road, Southfield, Mich. **Underwriter** — International Equities Co., Miami, Fla.

● Beryllium Manufacturing Corp. (5/29)
Feb. 27, 1961 filed 105,000 shares of common stock. **Price**—$4.50 per share. **Business** — The fabrication of pure beryllium components and other materials. **Proceeds**—For expansion and inventory, with the balance for working capital. **Office**—253 W. Merrick Rd., Valley Stream, L. I., N. Y. **Underwriter**—Eldes Securities Corp., New York City.

Big Boy Properties, Inc.
March 20, 1961 filed 100,000 shares of common stock. **Price**—$10 per share. **Business**—The company plans to operate a chain of "Big Boy" restaurants in California. **Proceeds** — For the purchase of restaurants and other properties. **Office**—1001 East Colorado Street, Glendale, Calif. **Underwriter**—None.

● Bloomfield Industries, Inc.
May 1, 1961 filed 140,000 shares of common stock, of which 40,000 shares are to be offered for public sale by the company and 100,000 outstanding shares by the present holders thereof. **Price** — To be supplied by amendment. **Business**—The manufacture and sale of food service equipment (for restaurants, hotels, etc.,) and houseware and hospital products. **Proceeds**—For product expansion, working capital and other corporate purposes. **Office**—4546 West 47th St., Chicago, Ill. **Underwriters** — Westheimer & Co., Cincinnati and Divine & Fishman, Inc., Chicago and New York City. **Offering**—Expected in late June.

Blue Haven Industries, Inc.
March 30, 1961 (letter of notification) 70,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Proceeds**—To increase inventory, reduce indebtedness and for working capital. **Office**—11933 Vose St., North Hollywood, Calif. **Underwriter**—Pacific Coast Securities Co.,

Bolt Beranek & Newman, Inc.
April 27, 1961 filed 160,000 shares of common stock, of which 90,140 shares are to be offered for public sale by the company and 69,860 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The company is a group of scientists and engineers engaged in research, consultation and product development in the fields of architectural acoustics, applied physics, instrumentation, psychoacoustics, bio-medical technology, man-made machines and information systems. **Proceeds** — For the repayment of debt, and working capital. **Office**—50 Moulton Street, Cambridge, Mass. **Underwriter**—Hemphill, Noyes & Co., New York City (managing). **Offering**—Expected in late June.

Bookshelf of America, Inc.
April 17, 1961 (letter of notification) 74,950 shares of common stock (par 10 cents). **Price** — $4 per share. **Business**—The mail order sale of religious books. **Proceeds**—For moving expenses, new equipment and working capital and general corporate purposes. **Office**—889 Broadway, New York, N. Y. **Underwriter**—D. H. Blair & Co., New York, N. Y.

Bowl-Mor Co., Inc.
March 29, 1961 filed 38,474 outstanding shares of common stock to be offered for public sale by the present holders thereof. **Price**—At the market. **Business**—The manufacture and distribution of pin-setting machines used in bowling. **Proceeds**—For the selling stockholders. **Office**—Newtown Road, Littleton, Mass. **Underwriter**—None.

● Broadcast International, Inc. (6/6)
Feb. 28, 1961 (letter of notification) 60,000 shares of common stock (par five cents). **Price**—$5 per share. **Business**—Producers of radio and television programs. **Proceeds**—For general corporate purposes. **Office**—3 W. 57th St., New York City. **Underwriter**—Harry Odzer Co., New York, N. Y.

Brooklyn Union Gas Co. (6/8)
May 1, 1961 filed $20,000,000 of first mortgage bonds due 1986. **Proceeds**—For the repayment of bank loans and other corporate purposes. **Office**—176 Remsen Street, Brooklyn, N. Y. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp., and Harriman Ripley & Co., Inc. (jointly); Merrill Lynch, Pierce, Fenner & Smith

Continued on page 34

NEW ISSUE CALENDAR

May 18 (Thursday)

Federal Paper Board Co., Inc.---------**Debentures**
(Goldman, Sachs & Co.) $20,000,000

Interstate Power Co.---------**Bonds**
(Bids 11:30 a.m. DST) $9,000,000

Interstate Power Co.---------**Common**
(Offering to stockholders—Bids 11 a.m. DST) 202,333 shares

May 22 (Monday)

Automation Development, Inc.---------**Common**
(First Philadelphia Corp. and United Planning Corp.) $150,000

Automotive Vacuum Control Corp.---------**Common**
(Donald J. Hinkley & Co., Inc.) $300,000

Brown Fintube Co.---------**Common**
(Paine, Webber, Jackson & Curtis) 122,000 shares

Chock Full O' Nuts Corp.---------**Debentures**
(F. Eberstadt & Co.) $7,500,000

Coastal Publications Corp.---------**Common**
(Jesup & Lamont) 110,000 shares

Decitron Electronics Corp.---------**Common**
(M. L. Lee & Co.) $100,000

National Bagasse Products Corp.---------**Units**
(S. D. Fuller & Co. and Howard, Weil, Labouisse, Friedrichs & Co.) $2,654,370

Ohio Edison Co.---------**Bonds**
(Bids 11:30 a.m. DST) $30,000,000

Rocket Jet Engineering Corp.---------**Common**
(Thomas Jay, Winston & Co., Inc. and Maltz, Greenwald & Co.) 110,000 shares

Schaper Manufacturing Co., Inc.---------**Common**
(Paine, Webber, Jackson & Curtis) $806,000

May 23 (Tuesday)

American Broadcasting-Paramount Theatres, Inc.---------**Common**
(Merrill Lynch, Pierce, Fenner & Smith, Inc. and Cyrus J. Lawrence & Sons) 140,000 shares

Arizona Public Service Co.---------**Common**
(Offering to stockholders—underwritten by First Boston Corp. and Blyth & Co., Inc.) 488,986 shares

Armco Steel Corp.---------**Debentures**
(Smith, Barney & Co., Inc.) $50,000,000

Friden, Inc.---------**Common**
(Dean Witter & Co. and Merrill Lynch, Pierce, Fenner & Smith, Inc.) 300,000 shares

Irvington Steel & Iron Works---------**Common**
(L. L. Fane & Co., Inc.) $300,000

Mallory Randall Corp.---------**Common**
(Pistell, Crow, Inc.) 120,000 shares

Michigan Consolidated Gas Co.---------**Bonds**
(Bids 11:30 a.m. DST) $30,000,000

Scot Lad Foods, Inc.---------**Common**
(Hayden, Stone & Co.) 250,000 shares

May 24 (Wednesday)

Consolidated Activities, Inc.---------**Debentures**
(G. F. Nicholls & Co., Inc.) $1,000,000

Consolidated Activities, Inc.---------**Common**
(G. F. Nicholls & Co., Inc.) $175,000

Consolidated Natural Gas Co.---------**Debentures**
(Bids 11:30 a.m. DST) $40,000,000

Webster Publishing Co., Inc.---------**Common**
(Newhard, Cook & Co.) 131,960 shares

May 25 (Thursday)

Louisville & Nashville RR.---------**Equip. Trust Ctfs.**
(Bids noon DST) $5,300,000

New Orleans Public Service, Inc.---------**Bonds**
(Bids 11:30 a.m. DST) $15,000,000

Pillsbury Co.---------**Debentures**
(Goldman, Sachs & Co. and Piper, Jaffray & Hopwood) $10,000,000

Precisionware, Inc.---------**Common**
(Hayden, Stone & Co.) 125,000 shares

May 26 (Friday)

Far West Financial Corp.---------**Capital**
(Eastman Dillon, Union Securities & Co.) 550,000 shares

May 29 (Monday)

Architectural Plastics Corp.---------**Common**
(Zilka, Smither & Co., Inc.) $128,988

Beryllium Manufacturing Corp.---------**Common**
(Eldes Securities Corp.) $472,500

Capital Properties, Inc.---------**Units**
(Hodgdon & Co., Inc.) 60,000 units

Chemonics Corp.---------**Common**
(Grant, Fontaine & Co.; Evans MacCormack & Co.; Stone & Youngberg and Sellgren, Miller & Co.) $300,000

Chroma-Glo, Inc.---------**Common**
(Jamieson & Co.) $297,000

Consumers Automatic Vending, Inc.---------**Common**
(Diran, Norman & Co. and V. S. Wickett & Co. Inc.) $500,000

Curley Co., Inc.---------**Common**
(Carter, Berlind, Potoma & Weill) 50,000 shares

Customline Control Panels, Inc.---------**Common**
(Blaha & Co., Inc.) $300,000

Di Giorgio Fruit Corp.---------**Common**
(Dean Witter & Co.) 275,000 shares

Dodge Wire Corp.---------**Common**
(Plymouth Securities Corp.) $600,000

Eastern Lime Corp.---------**Common**
(Casper Rogers & Co.) $300,000

Electronic Associates, Inc.---------**Capital**
(W. C. Langley & Co.) 75,000 shares

Futterman Corp.---------**Class A**
(Van Alstyne, Noel & Co.) 1,000,000 shares

Gem International, Inc.---------**Common**
(Bosworth, Sullivan & Co., Inc. and Scherck, Richter Co.) 150,000 shares

Golden Triangle Industries, Inc.---------**Common**
(Robert M. Harris & Co. Inc.) $340,000

Howard Johnson Co.---------**Common**
(Blyth & Co. Inc. and F. S. Moseley & Co., co-managers) 660,000 shares

Illinois Bell Telephone Co.---------**Common**
(Offering to stockholders—no underwriting) $83,813,040

Intercontinental Motels, Ltd.---------**Common**
(T. J. McDonald & Co.) $300,000

King Kullen Grocery Co., Inc.---------**Class A**
(Hemphill, Noyes & Co. and Estabrook & Co.) 180,000 shares

MacDonald (E. F.) Co.---------**Common**
(Smith, Barney & Co. Inc. and Merrill, Turben & Co. Inc.) 275,000 shares

Continued on page 34

Continued from page 33

Magnefax Corp. ---------------------- Common
(Stroud & Co.) $1,000,000

Products Research Co.------------------ Common
(Schwabacher & Co.) 283,200 shares

Renaire Foods, Inc.-------------------- Common
(P. W. Brooks & Co., Inc.) $750,000

Renaire Foods, Inc.------------------ Debentures
(P. W. Brooks & Co., Inc.) $600,000

Toledo Plaza Limited Partnership----------- Units
(Hodgdon & Co., Inc.) $522,500

U. S. Realty Investment Trust------------ Ben. Int.
(Hornblower & Weeks) $3,869,750

Vector Engineering, Inc.---------------- Common
(Omega Securities Corp.) $300,000

Western Growth Corp.-------------------- Units
(Reese, Scheftel & Co., Inc.) $150,000

May 31 (Wednesday)

Elion Instruments, Inc.------------------ Capital
(Warner, Jennings, Mandel & Longstreth) 60,000 shares

Indiana & Michigan Electric Co.-------- Debentures
(Bids 11:30 a.m. DST) $20,000,000

National Mercantile Corp.------------------ Units
(A. T. Brod & Co.) 100,000 units

North American Vending Manufacturing Corp. ---------------------------- Common
(Ezra Kureen Co.) $110,000

Panacolor, Inc. ------------------------- Common
(Federman, Stonehill & Co.) $800,000

Ram Electronics, Inc.-------------------- Common
(General Securities Co. Inc.) $300,000

Ruth Outdoor Advertising Co., Inc.-------- Class A
(Lewis & Stoehr) $240,000

Sica Skiffs, Inc.------------------------ Common
(Warner, Jennings, Mandel & Longstreth) 100,000 shares

Tassette, Inc.--------------------------- Class A
(Amos Treat & Co., Inc.; Bruno Lenchner, Inc. and Karen Securities Corp.) $2,400,000

Templeton, Damroth Corp.-------- Class A Common
(No underwriting) 12,000 shares

Templeton, Damroth Corp.-------- Class B Common
(No underwriting) 12,000 shares

Templeton, Damroth Corp.------------ Debentures
(Hecker & Co. is underwriting $445,000 of this issue) $1,500 000

Waltham Watch Co.------------------------- Units
(P. J. Gruber & Co. Inc.) 4,000 units

Warner Brothers Co.-------------------- Common
(Lehman Brothers) 200,000 shares

June 1 (Thursday)

Columbia Gas System, Inc.------------ Debentures
(Bids 11 a.m. DST) $30,000,000

Investors Preferred Life Insurance Co.--- Common
(Life Securities, Inc.) $840,000

Mohawk Insurance Co.------------------- Common
(R. F. Dowd & Co., Inc.) $900,000

June 5 (Monday)

Audiographic Inc. ----------------------- Common
(First Broad Street Corp.) $600,000

Chalco Engineering Corp.---------------- Common
(First Broad Street Corp.) $600,000

De Soto Chemical Coatings, Inc.---------- Common
(Goldman, Sachs & Co. and Lehman Bros.) 1,000 000 shares

Dixon Chemical Industries, Inc.--------- Debentures
(Offering to stockholders—underwritten by P. W. Brooks & Co., Inc.) $1,500,000

Dixon Chemical & Research, Inc.-------- Debentures
(P. W. Brooks & Co., Inc.) $2,900,000

Empire Devices, Inc.-------------------- Common
(Hayden, Stone & Co.) Approximately $1,050,000

Fox-Stanley Photo Products, Inc.--------- Common
(Equitable Securities Corp.) 387,500 shares

Harwyn Publishing Corp.----------------- Common
(N. A. Hart & Co.) $412,500

Income Planning Corp.--------------------- Units
(Espy & Wanderer, Inc.) $200,000

Micro Electronics Corp.------------------ Common
(R. Baruch & Co.) $400,000

Pennsylvania Electric Co.------------- Debentures
(Bids noon DST) $12,000,000

Southland Life Insurance Co.------------- Common
(Offering to stockholders—underwritten by Equitable Securities Corp.) 80,000 shares

Stratton Corp.------------------------ Debentures
(Cooley & Co.) $650,000

June 6 (Tuesday)

Allison Business Services, Inc.------------ Capital
(Hancock Securities Corp.) $300,000

American Telephone & Telegraph Co.------- Bonds
(Bids 11:30 DST) $250,000,000

Broadcast International, Inc.------------ Common
(Harry Odzer Co.) $300,000

Public Service Electric & Gas Co.--------- Common
(Merrill Lynch, Pierce, Fenner & Smith, Inc.) 900,000 shares

U. S. Mfg. & Galvanizing Corp.---------- Common
(Armstrong & Co., Inc.) $300,000

Virginia Chemicals & Smelting Co.------- Common
(White, Weld & Co.) 135,000 shares

June 7 (Wednesday)

Community Public Service Co.-------------- Bonds
(Bids 11 a.m. DST) $5,000,000

Recreation Enterprises, Inc.---------------- Units
(I. M. Simon & Co.) $550,000

June 8 (Thursday)

Brooklyn Union Gas Co.------------------- Bonds
(Bids to be received) $20,000,000

June 12 (Monday)

Income Properties, Inc.------------------ Class A
(Eisele & King, Lebaire, Stout & Co.) $1,462,500

Missouri Edison Co.------------------------ Bonds
(Bids 11 a.m. DST) $2,000,000

June 13 (Tuesday)

Triangle Instrument --------------------- Common
(Armstrong & Co., Inc.) $300,000

Virginia Electric & Power Co.-------------- Bonds
(Bids 11 a.m. DST) $30,000,000

June 14 (Wednesday)

Baltimore Gas & Electric Co.---------- Debentures
(Bids to be received) $20,000,000

Michigan Wisconsin Pipe Line Co.--------- Bonds
(Bids 11 a.m. DST) $30,000,000

June 15 (Thursday)

Accesso Corp.----------------------------- Units
(Ralph B Leonard & Sons, Inc.) $600,000

Arrow Electronics, Inc.------------------ Common
(Arnold Malkan & Co., Inc.) $825,000

Canandaigua Enterprises Corp.-------------- Units
(S. D. Fuller & Co.) 8,000 units

De-Flectronics, Inc. --------------------- Common
(Theodore Arrin & Co.) $112,000

Fireco Sales Ltd------------------------- Common
(McDonnell & Co.) 120,000 shares

G-W. Ameritronics, Inc.------------------- Units
(Fraser & Co., Inc.) $320,000

Ivest Fund, Inc.------------------------- Common
(Ivest, Inc.) 150,000 shares

Lytton Financial Corp.------------------- Capital
(William R. Staats & Co. and Shearson, Hammill & Co.) 300,000 shares

Photronics Corp. ------------------------ Common
(Offering to stockholders—underwritten by L. D. Sherman & Co.) 150,000 shares

Real Estate Investment Trust of America-- Ben. Int.
(Paine, Webber, Jackson & Curtis; Kidder, Peabody & Co. and Lee Higginson Corp.) 500,000 shares

Southern Electric Generating Co.----------- Bonds
(Bids 11 a.m. DST) $20,000,000

Universal Manufacturing Co.------------- Common
(Naftalin & Co., Inc.) $270,000

June 19 (Monday)

Diotron, Inc.---------------------------- Common
(Royer Securities Co.) $300,000

June 20 (Tuesday)

Consolidated Edison Co. of New York, Inc.-- Bonds
(Bids 11 a.m. DST) $50,000,000

June 22 (Thursday)

Northern Illinois Gas Co.---------------- Common
(Offering to stockholders—no underwriting) $20,000,000

June 26 (Friday)

Amity Corp. ----------------------------- Common
(Karen Securities Corp.) $226,217

Automated Procedures Corp.-------------- Class A
(Jay W. Kaufmann & Co.) $330,000

Fidelity Bankers Life Insurance Corp.---- Common
(Lee Higginson Corp. and Shearson, Hammill & Co.) 547,128 shares

June 27 (Tuesday)

Massachusetts Electric Co.---------------- Bonds
(Bids to be received) $17,500,000

June 30 (Friday)

Taffet Electronics, Inc.------------------ Common
(Fialkov & Co. Inc.) $396,000

July 10 (Monday)

Superstition Mountain Enterprises, Inc.-- Common
(No underwriting) $5,000,000

August 8 (Tuesday)

Northern States Power Co.----------------- Bonds
(Bids to be received) $20,000,000

September 27 (Wednesday)

Rochester Gas & Electric Corp.------------ Bonds
(Bids to be received) $12,000,000

September 28 (Thursday)

Mississippi Power Co. --------------------- Bonds
(Bids to be received) $5,000,000

Mississippi Power Co.------------------ Preferred
(Bids to be received) $5,000,000

October 18 (Wednesday)

Georgia Power Co.------------------------- Bonds
(Bids to be received) $15,500,000

Georgia Power Co.---------------------- Preferred
(Bids to be received) $8,000,000

December 5 (Tuesday)

Virginia Electric & Power Co.-------------- Bonds
(Bids to be received) $15,000,000

December 7 (Thursday)

Gulf Power Co.---------------------------- Bonds
(Bids to be received) $5,000,000

Continued from page 33

Inc.; White, Weld & Co.; Blyth & Co., Inc., and F. S. Moseley & Co. (jointly). **Bids**—To be received on June 8, 1961.

Brown Fintube Co. (5/22-26)
March 27, 1961 filed 122,000 shares of class A common stock (par $1), of which 100,000 shares are to be offered for public sale by the company and 22,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The production of heat-transfer equipment for use primarily in the petrochemical, chemical and refining industries. **Proceeds** — For new equipment and working capital. **Office**—300 Huron Street, Elyria, Ohio. **Underwriter**—Paine, Webber, Jackson & Curtis, New York City.

• Business Finance Corp.
Aug. 5, 1960 (letter of notification) 195,000 shares of common stock (par 20 cents). **Price** — $1.50 per share. **Proceeds**—For business expansion. **Office**—1800 E. 26th St., Little Rock, Ark. **Underwriter**—Cohn Co., Inc., 309 N. Ridge Road, Little Rock, Ark. **Note**—This letter was withdrawn.

CMC Finance Group, Inc.
April 28, 1961 filed 150,000 shares of class A common stock. **Price**—To be supplied by amendment. **Business**—The company, through its 20 subsidiaries, is engaged in the consumer finance business in North Carolina, South Carolina and Georgia. **Proceeds** — For working capital. **Office**—1009 Wachovia Building, Charlotte, N. C. **Underwriter**—Auchincloss, Parker & Redpath, Washington, D. C.

Cable Carriers, Inc.
March 23, 1961 filed 196,109 shares of capital stock. **Price**—To be supplied by amendment. **Business**—The company which began operations in 1954, is engaged in the research and development of special material handling systems for industrial and commercial use based on company-owned patents. **Proceeds**—For working capital. **Office**—Kirk Boulevard, Greenville, S. C. **Underwriter**—To be named.

• Canandaigua Enterprises Corp. (6/15)
May 2, 1961 filed $4,000,000 of sinking fund debentures due 1976, 240,000 shares of class A stock, and warrants to purchase 120,000 shares of class A stock to be offered for public sale in units, each consisting of $500 of debentures, 30 class A shares, and 6-year warrants to purchase 15 class A shares at $5 per share. **Price**—To be supplied by amendment. **Business**—The company owns a majority stock interest in Finger Lakes Racing Association, Inc., which is erecting a thoroughbred race track at Canandaigua, New York. The company plans to engage in recreational and entertainment activities and may construct hotels, motels or restaurants adjacent to the race track. **Proceeds**—For construction, working capital and general corporate purposes. **Office**—29 Broadway, New York City. **Underwriter**—S. D. Fuller & Co., New York City (managing

Capital For Technical Industries, Inc.
April 10, 1961 filed 500,000 shares of common stock. **Price**—$10 per share. **Business**—A small business investment company. **Proceeds**—To repay a loan and to provide long term capital to small business concerns. **Office**—1281 Westwood Blvd., Los Angeles, Calif. **Underwriter**—Dempsey-Tegeler & Co., St. Louis, Mo. **Offering**—Expected in late May.

• Capital Properties Inc. (5/29)
April 21, 1961 filed $600,000 of 9½% debentures due 1977 and 12,000 shares of common stock to be offered for public sale in units of $1,000 of debentures and 20 common shares. **Price**—$1,600 per unit. **Business**—The company plans to purchase and lease back three buildings to be erected by Tower's Marts, Inc., for use as retail discount department stores. **Proceeds**—For acquisition of the above properties. **Office**—36 Pearl St., Hartford, Conn. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

Capital Southwest Corp.
May 8, 1961 filed 1,250,000 shares of common stock. **Price**—$11 per share. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—6517 Hillcrest Avenue, Dallas, Texas. **Underwriter**—Rotan, Mosle & Co., Houston, Texas (managing).

• Chalco Engineering Corp. (6/5-9)
Jan. 30, 1961 filed 100,000 shares of common stock. **Price**—$6 per share. **Business**—The company is engaged in the business of engineering, research, development, manufacturing and installation of custom communication systems and electronic, electro-mechanical and mechanical systems and devices for ground support facilities for missile and space programs of the U. S. Government. The company also manufactures special purpose products sold for military use. **Proceeds**—For the repayment of loans and for working capital. **Office** — 15126 South Broadway, Gardena, Calif. **Underwriter** — First Broad Street Corp., New York City (managing).

★ Chemonics Corp. (5/29)
Nov. 14, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—$3 per share. **Business**—Manufacturers of printed circuits for the missile industries. **Proceeds** — For general corporate purposes and working capital. **Office**—990 S. Fairoaks Ave., Pasadena, Calif. **Underwriters**—Grant, Fontaine & Co., Oakland, Calif. (managing); Evans MacCormack & Co., Los Angeles, Calif.; Stone & Youngberg, San Francisco and Sellgren, Miller & Co., Oakland, Calif.

★ Chester Litho Inc.
May 12, 1961 filed 100,000 shares of common stock. **Price**—$4 per share. **Business**—Commercial printing and art. **Proceeds**—For working capital. **Office**—Chester, N. Y. **Underwriter**—S. Schramm & Co., Inc., New York City (managing).

Chock Full O' Nuts Corp. (5/22-26)
April 7, 1961 filed $7,500,000 of subordinated debentures, due May 1, 1961. **Price**—To be supplied by amendment. **Business**—The operation of a chain of restaurants in the New York City area, and the packaging and retail sale of coffee. **Proceeds**—For expansion. **Office**—425 Lexington Avenue, New York 17, N. Y. **Underwriter**—F. Eberstadt & Co., New York City (managing).

Chroma-Glo, Inc. (5/29)
March 2, 1961 (letter of notification) 90,000 shares of common stock (par 50 cents). **Price** — $3.30 per share. **Business** — The manufacture of pressure sensitive emblems. **Proceeds**—For payment of obligations; purchase of equipment; and for working capital. **Office**—525 Lake

Ave., S., Duluth 2, Minn. **Underwriter**—Jamieson & Co. Minneapolis, Minn.

Church Builders, Inc.
Feb. 6, 1961 filed 50,000 shares of common stock, series 2. **Price**—$5.50 per share. **Business**—A closed-end diversified investment company of the management type. **Proceeds**—For investment. **Office**—501 Bailey Avenue, Fort Worth, Texas. **Distributor**—Associates Management, Inc., Fort Worth, Texas.

★ **Cinema Syndicate, Inc.**
May 2, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—$3 per share. **Business**—The production of motion pictures. **Proceeds**—For the repayment of loans; purchase of equipment; production of four motion pictures, and working capital. **Office**—619 W. 54th St., New York, N. Y. **Underwriter**—Fontana Securities, Inc., New York, N. Y.

City Products Corp.
April 27, 1961 filed $15,000,000 of convertible subordinated debentures due June 1, 1982. **Business**—The company and its subsidiaries distribute general merchandise, and operate refrigerator car icing and vacuum cooling plants, cold storage warehouses, dairies, breweries and coal and oil distribution facilities. **Proceeds**—To retire outstanding notes and for working capital. **Underwriters**—Lehman Brothers and White, Weld & Co., New York City (managing). **Offering**—Expected in late June.

● **Clairtone Sound Corp. Ltd.**
March 29, 1961 filed 200,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The design, manufacturing and distribution of stereophonic high fidelity radio-phonograph consoles and accessories **Proceeds** — For research and development, expansion, increased inventories and repayment of debt. **Office**—118 Rivalda Road, Weston, Ont., Canada. **Note** — This statement was withdrawn.

Clark Equipment Credit Corp.
April 21, 1961 filed $20,000,000 of debentures, series A, due 1981. **Price**—To be supplied by amendment. **Business**—The financing in the U. S. and Canada of retail time sales of products manufactured by Clark Equipment Co., parent. **Proceeds**—For the repayment of debt. **Office**—324 East Dewey Ave., Buchanan, Mich. **Underwriters**—Lehman Brothers and Blyth & Co., Inc., New York City (managing). **Offering**—Expected about mid-June.

Clarkson Laboratories, Inc.
April 27, 1961 filed 200,000 shares of common stock. **Price**—$2 per share. **Business**—The company plans to engage in the development, manufacture, packaging and sale of industrial chemicals and latex, resins and plastic compounds for industrial and commercial use. **Proceeds**—For plant additions, repayment of debt, and working capital. **Office**—1450 Ferry Avenue, Camden, N. J. **Underwriters**—Ross, Lyon & Co., Inc., and Globus, Inc., both of New York City.

● **Coastal Publications Corp. (5/22-26)**
March 30, 1961 filed 110,000 shares of common stock (par 60 cents). **Price** — $3 per share. **Business** — The preparation of technical literature on the use and maintenance of complicated electronic equipment produced for the Department of Defense. **Proceeds**—For general corporate purposes. **Office**—130 W. 42nd Street, New York City. **Underwriter**—Jesup & Lamont, New York City.

★ **Color Reproductions, Inc.**
May 10, 1961 (letter of notification) 950 units of $95,000 of 6% subordinated debentures, due June 30, 1971, and 47,500 shares of common stock (par one cent) to be offered in units, each unit consisting of $100 of debentures and 50 shares of common stock. **Price**—$287.50 per unit. **Business**—The company makes color photographs and reproductions for churches, institutions, seminaries and schools. **Proceeds**—For equipment; sales promotion; repayment of loans; construction of buildings and improvements of facilities. **Office**—202 E. 44th St., New York, N. Y. **Underwriter**—William, David & Motti, Inc., New York, N. Y

★ **Color-Tone Originals, Inc.**
May 1, 1961 (letter of notification) 37,500 shares of common stock (par 10 cents). **Price**—$4 per share. **Business** — Manufacturers of greeting cards. **Proceeds** — For advertising; inventory; machinery and working capital. **Office**—112 Pearl St., Mt. Vernon, N. Y. **Underwriter**—D. Klapper Associates, Inc., New York, N. Y.

Colorplate Engraving Co.
April 25, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price** — $4 per share. **Business**—Color photo-engraving. **Proceeds**—For repayment of loans; acquisition of equipment, and working capital. **Office**—311 W. 43rd Street, New York, N. Y. **Underwriter**—Mineo & Co., 99 Wall Street, New York, New York.

Columbia Gas System, Inc. (6/1)
April 21, 1961 filed $30,000,000 of debentures due June 1986. **Office**—120 E. 41st St., New York City. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; Morgan Stanley & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc., and White, Weld & Co. (jointly). **Bids**—To be received at the company's office on June 1 at 11 a.m. (DST).

Community Public Service Co. (6/7)
April 26, 1961 filed $5,000,000 of first mortgage bonds, series F, due June 1, 1991. **Proceeds**—For the repayment of loans and for construction. **Office**—408 West Seventh Street, Fort Worth, Texas. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; Paine, Webber, Jackson & Curtis; First Southwest Co.; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—To be received on June 7 at 11 a.m. (DST) on the 19th floor of 90 Broad Street, New York City. **Information Meeting**—Scheduled for June 5 at 3 p.m. (DST) on the 23rd Floor of One Chase Manhattan Plaza, New York City.

Community Research & Development, Inc.
Feb. 27, 1961 filed 620,445 shares of common stock being offered for subscription by holders of its common stock and 6% convertible debentures due Jan. 1, 1972 on the basis of one new share for each two common shares held, and 105 shares for each $1,000 of debentures held of record May 1, with rights to expire May 22. **Price**—$5 per share. **Business**—The development, ownership and management of income producing real estate projects. **Proceeds**—For construction. **Office**—14 West Saratoga Street, Baltimore, Md. **Underwriter** — Alex. Brown & Sons, Baltimore, Md. (managing).

Components Specialties, Inc.
April 20, 1961 (letter of notification) 60,000 shares of common stock (par 10 cents). **Price**—$3.50 per share. **Business**—The importation and sale of electronic subminiature components. **Proceeds** — For repayment of debt; advertising, inventory and working capital. **Office**—3 Foxhurst Road, Baldwin, L. I., N. Y. **Underwriter**—Fund Planning, Inc., New York, N. Y.

Comptometer Corp.
March 31, 1961 filed 160,401 shares of common stock to be offered for subscription by holders of outstanding common stock; 6½% subordinated convertible sinking fund debentures, series A, due 1970; and option agreements for the purchase of common shares. Warrants will be issued on the basis of one right for each common share held on the record date, one right for each share issuable upon conversion of a series A debenture, as if such debenture had been converted, and one right for each share issuable under the option agreements. The warrants will provide that one new share will be issuable for each eight rights tendered. **Price**—To be supplied by amendment. **Business**—The company's activities are organized on a divisional basis—Business Machines, Communications and Electronics, Business Forms, Burke Golf and Worthington Golf Ball Divisions. **Proceeds**—For the repayment of debt and for working capital. **Office**—5600 West Jarvis Ave., Chicago, Ill. **Underwriters** — To be named.

★ **CompuDyne Corp.**
May 12, 1961 filed 168,000 shares of common stock, of which 120,000 are to be offered for public sale by the company and 48,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The furnishing of instruments and systems for missile sites, and the design, development, assembly and manufacture of electronic and other devices used in the automatic control of aeronautical and missile test facilities. **Proceeds**—For inventory expansion, research and development, the redemption of outstanding 6% debentures due Dec. 1, 1961, and working capital. **Office**—404 South Warminster Rd., Hatboro, Pa. **Underwriter**—Hayden, Stone & Co., New York City (managing).

Computer Equipment Corp.
April 5, 1961 (letter of notification) 46,780 shares of common stock (no par) to be offered for subscription by stockholders on the basis of one new share for each 10 shares held. **Price**—$2.10 per share. **Proceeds**—For research and production, and general corporate purposes. **Office** — 11612 W. Olympic Blvd., Los Angeles, Calif. **Underwriter** — Holton, Henderson & Co., Los Angeles, Calif.

● **Consolidated Activities, Inc. (5/24)**
Feb. 28, 1961 filed $1,000,000 of 6½% convertible subordinated debentures, due April 30, 1976, to be offered by the company and 50,000 shares of common stock (par 50c) to be offered by a selling stockholder. **Price**—(Debenture) 101% of the principal amount. (Stock) $3.50 per share. **Business**—The issuer is principally engaged in the construction and operation of bowling alleys. **Proceeds**—To retire a mortgage and outstanding debentures, for construction of a new bowling alley, for general corporate purposes. **Office**—26 West Northfield Road, Livingston, N. J. **Underwriter**—G. F. Nicholls & Co., Inc., 1 Maiden Lane, New York 38, N. Y.

Consolidated Bowling Corp.
March 29, 1961 filed 738,000 shares of common stock and $900,000 of 6% convertible subordinated debentures, due in July, 1981. **Prices**—For the stock: $3.50 per share; for the debentures: 100% of principal amount. **Business**—Operates bowling centers and owns real estate. **Proceeds** — For expansion. **Office** — 880 Military Road, Niagara Falls, N. Y. **Underwriter**—None.

● **Consolidated Business Systems, Inc.**
March 30, 1961 filed 200,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—The design, development, manufacture and sale of standard and custom made printed and lithographed business forms. **Proceeds** — To repay loans, purchase additional equipment, and for working capital. **Office** — 400 Jersey Avenue, New Brunswick, N. J. **Underwriter**—Milton D. Blauner & Co., Inc., and M. L. Lee & Co., Inc., both of New York City. **Offering**—Imminent.

Consolidated Cigar Corp.
April 10, 1961 filed 275,000 shares of common stock (par $1), being offered for subscription by holders of outstanding common stock at the rate of one new share for each 8 shares held of record May 8 with rights to expire May 24. **Price** — $39 per share. **Business** — The manufacture and sale of cigars. **Proceeds** — For expansion. **Office**—529 Fifth Avenue, New York City. **Underwriter**—Eastman Dillon, Union Securities & Co., New York City (managing).

Consolidated Edison Co. of New York, Inc. (6/20)
May 9, 1961 filed 50,000,000 of 30-year first mortgage bonds. **Office**—4 Irving Place, New York City. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Morgan Stanley & Co. **Bids**—To be received at the company's office on June 20 at 11 a.m. **Information Meeting**—Scheduled for June 13 at 10 a.m., on the 13th floor of 4 Irving Place, New York City.

Consolidated Natural Gas Co. (5/24)
April 24, 1961 filed $40,000,000 of debentures due May 1, 1986. **Business**—A holding company for six operating concerns engaged in the natural gas business. **Proceeds**—For construction. **Office**—30 Rockefeller Plaza, New York 20, N. Y. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co., and First Boston Corp. (jointly); White, Weld & Co., and Paine, Webber, Jackson & Curtis (jointly). **Bids**—To be received on May 24 at 11:30 a.m. (DST) in Room 3000, 30 Rockefeller Plaza, New York City. **Information Meeting** — Scheduled for May 19 at 10:30 a.m. (DST) at the Bankers Club, 40th Floor, 120 Broadway, New York City.

Consumers Automatic Vending, Inc. (5/29)
March 31, 1961 filed 100,000 shares of common stock (par 10 cents). **Price**—$5 per share. **Business**—The installation, maintenance and servicing of automatic vending machines, including complete in-plant automatic cafeterias, in the metropolitan New York area. **Proceeds**—For equipment, the reduction of debt and other corporate purposes. **Office** — 59-05 56th Street, Maspeth, N. Y. **Underwriters**—Diran, Norman & Co., and V. S. Wickett & Co., Inc., both of New York City.

Cortez Life Insurance Co.
Jan. 12, 1961 filed 500,000 shares of common stock. **Price**—$3 per share. **Business**—The company is engaged in the business of writing life insurance, annuity policies and re-insurance. **Proceeds**—For general corporate purposes. **Office**—304 Main St., Grand Junction Colo. **Underwriter**—None.

Criterion Insurance Co.
March 27, 1961 filed 515,000 shares of common stock (par $2), being offered for subscription by common stockholders of Government Employees Life Insurance Co., and Government Employees Corp., on the basis of one new share for each 10 shares held of record March 30, and by stockholders of Government Employees Insurance Co., on the basis of one new share for each five shares held of record March 30, with rights to expire June 5. **Price** — $6 per share. **Business** — The company was organized on March 22, 1961 by the management of the three Government Employees Group companies and plans to engage in all kinds of fire and casualty insurance business. **Proceeds**—For general corporate purposes. **Office**—Government Employees Insurance Building, Washington, D. C. **Underwriter** — None. **Note**—This statement was effective May 8.

Crown Aluminum Industries Corp.
May 1, 1961 filed $2,000,000 of convertible subordinated debentures due 1976. **Price**—To be supplied by amendment. **Business** — The manufacture and distribution of enameled aluminum siding and aluminum accessories. **Proceeds**—For plant expansion, new equipment and the development of new products. **Office**—5820 Center Avenue, Pittsburgh, Pa. **Underwriters** — Adams & Peck; Allen & Co., and Andresen & Co., all of New York City.

● **Curley Co. Inc. (5/29)**
March 30, 1961 filed 50,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—The manufacture and packaging of household liquid detergents for distribution under private labels. **Proceeds**—For general corporate purposes. **Office**—Jefferson and Masters Sts., Camden, N. J. **Underwriter**—Carter, Berlind, Potoma & Weill, New York City (managing).

★ **Custom Shell Homes, Inc.**
May 8, 1961 (letter of notification) 120,000 shares of common stock (par 10 cents). **Price**—$2.50 per share. **Proceeds**—To erect sample homes, repay a loan, and for expansion and working capital. **Office**—412 W. Saratoga St., Baltimore, Md. **Underwriter**—T. J. McDonald & Co., Washington, D. C.

● **Customline Control Panels, Inc. (5/29)**
Feb. 21, 1961 (letter of notification) 120,000 shares of common stock (par 10 cents). **Price** — $2.50 per share. **Business**—Manufacturers of control panels for centralized control of chemical and industrial processes. **Proceeds**—For a training program for additional engineering personnel; additional capital equipment; payment of a bank loan; opening of a Los Angeles sales and engineering office; research and development and working capital. **Office**—1379 E. Linden Avenue, Linden, N. J. **Underwriter**—Blaha & Co., Inc., Long Island City, N. Y.

Dalto Corp.
March 29, 1960 filed 431,217 shares of common stock to be offered for subscription by holders of such stock of record Oct. 7 at the rate of one-and-a-half new shares for each share then held. **Price**—$1.25 per share. **Proceeds**—For the retirement of notes and additional working capital. **Office**—Norwood, N. J. **Underwriter**—Sterling, Grace & Co., 50 Broad St., New York City. **Offering**—Indefinitely postponed.

Data Processing, Inc.
April 12, 1961 (letter of notification) 75,000 shares of no par common stock. **Price**—$4 per share. **Business**—The research, design and development of advanced digital computer programs. **Proceeds**—To purchase or lease computer equipment. **Office**—1334 Main St., Waltham, Mass. **Underwriter** — First Weber Securities Corp., 79 Wall St., New York City.

Continued on page 36

Continued from page 35

Datatrol Corp.
April 26, 1961 filed 60,000 shares of common stock. **Price**— $4.25 per share. **Business**—The company acts as a consultant or advisor in matters pertaining to data processing problems and equipment. **Proceeds**—To develop data processing systems and for working capital. **Office**—8113-A Fenton Street, Silver Spring, Md. **Underwriter** — First Investment Planning Co., Washington, District of Columbia.

Davidson Optronics, Inc.
May 1, 1961 (letter of notification) 50,000 shares of capital stock (par $1). **Price**—$6 per share. **Proceeds**—To pay current liabilities and for working capital. **Office**—2223 Ramona Boulevard, West Covina, Calif. **Underwriter**—Dempsey-Tegeler & Co., St. Louis, Mo.

• De-Flectronics, Inc. (6/15)
April 13, 1961 (letter of notification) 112,000 shares of common stock (par 10 cents). **Price**—$1 per share. **Business** — The manufacture of electronic components and assemblies. **Proceeds** — For the purchase of inventory; manufacturing facilities and working capital. **Office**—50 E. Third St., Mount Vernon, N. Y. **Underwriter**—Theodore Arrin & Co., New York, N. Y.

• De Soto Chemical Coatings, Inc. (6/5)
May 4, 1961 filed 1,000,000 outstanding shares of common stock, to be offered for public sale by the present holder thereof (Sears, Roebuck & Co.). **Price**—To be related to the current market price of the stock on the New York Stock Exchange at the time of the sale. **Business** — The manufacture and sale of paints, industrial coatings and wallpaper. **Proceeds**—For the selling stockholder. **Address**—1350 South Koster Ave., Chicago, Ill. **Underwriters** — Goldman, Sachs & Co., and Lehman Brothers, New York City.

• Dectron Electronics Corp. (5/22-26)
March 16, 1961 filed 50,000 shares of common stock (par one cent), of which 30,000 shares are to be offered for public sale by the company and 20,000 outstanding shares by the present holders thereof. **Price** — $2 per share. **Business** — The design, manufacture and sale of electronic equipment for the U. S. Government. **Proceeds** — For research and development and for working capital. **Office**—850 Shepherd Ave., Brooklyn, N. Y., **Underwriter**—M. L. Lee & Co., New York City.

★ Denver Real Estate Investment Fund
May 15, 1961 filed 600,000 shares in the Fund. **Price**—To be supplied by amendment. **Business**—The Fund will offer investors the opportunity to participate jointly in large and diversified real estate investments which offer promise of growth and increased values. **Proceeds**—For investment. **Office**—660 17th Street, Denver, Colo. **Underwriters** — Bosworth, Sullivan & Co., Inc., and Boettcher & Co., both of Denver, Colo. (managing).

• Development Corp. of America
March 30, 1961 filed 200,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Business**—The development and construction of single-family residences and communities in Florida. **Proceeds**—For general corporate purposes. **Office** — 5707 Hollywood Boulevard, Hollywood, Fla. **Underwriter**—Amos Treat & Co., Inc., New York City (managing). **Offering** — Expected in early June.

• Di Giorgio Fruit Corp. (5/29)
April 10.1961 filed 275,000 shares of common stock (par $2.50). **Price**—To be supplied by amendment. **Business**—The production, harvesting and marketing of agricultural products, especially fruits. **Proceeds**—For the repayment of a loan. **Office** — 350 Sansome Street, San Francisco, Calif. **Underwriter**—Dean Witter & Co., San Franicsco.

• Diotron, Inc. (6/19-23)
March 29, 1961 (letter of notification) 100,000 shares of common stock (no par). **Price**—$3 per share. **Proceeds**—For raw materials, production, testing and working capital. **Office** — 3650 Richmond St., Philadelphia, Pa. **Underwriter**—Royer Securities Co., Philadelphia, Pa.

• Dixon Chemical Industries, Inc. (6/5-9)
March 31, 1961 filed $1,500,000 of 6% convertible subordinated income debentures due 1981 to be offered for subscription by holders of the company's common stock. **Price** — To be supplied by amendment. **Business** — The manufacture of sulfuric acid. **Proceeds**—For the construction of a new plant and for working capital. **Office**—1260 Broad Street, Bloomfield, N. J. **Underwriter**—P. W. Brooks & Co., Inc., New York City (managing).

• Dixon Chemical & Research, Inc. (6/5-9)
March 31, 1961 filed $2,900,000 of 6% convertible sinking fund debentures, due 1978. **Price**—To be supplied by amendment. **Business**—The production of sulfuric acid, liquid sulfur dioxide, aluminum sulfate, chromic acid and corrosion-resistant coatings. **Proceeds** — For construction of a new plant, repayment of debt, and working capital. **Office**—1260 Broad Street, Bloomfield, N. J. **Underwriter**—P. W. Brooks & Co., Inc., New York City (managing).

Dodge Wire Corp. (5/29-6/1)
Dec. 7, 1960, filed 100,000 shares of common stock. **Price**—$6 per share. **Business**—The manufacture of woven aluminum screen cloth. **Proceeds**—The repayment of indebtedness and general corporate purposes. **Office**—Industrial Blvd., Covington, Ga. **Underwriter**—Plymouth Securities Corp., New York City.

Dollar Mutual Fund, Inc.
April 25, 1961 filed 100,000,000 shares of capital stock. **Price** — $1 per share. **Business** — A diversified mutual fund. **Proceeds** — For investment. **Office** — 736 Midland Bank Bldg., Minneapolis, Minn. **Underwriter**—Fund Distributors, Inc.

• Dolomite Glass Fibres, Inc.
Dec. 27, 1960 filed 200,000 shares of 7% preferred stock (cumulative - convertible); 200,000 class A common shares (voting) and 1,000,000 common shares (non-voting). **Price**—$10 per share for the preferred and $1 per share for the class A and common shares. **Business**—The manufacture and sale of glass fibre for insulation and glass fibre threads, mats and rovings for use in the production of reinforced plastics. **Proceeds**—For working capital and the purchase of additional equipment. **Office**—1037 Jay St., Rochester, N. Y. **Underwriter** — None. **Offering**—Expected in early June.

★ Donnelley (R. R.) & Sons Co.
May 17, 1961 filed 270,000 outstanding shares of common stock to be offered for public sale by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The company is the largest commercial printer in the U. S. **Proceeds**—To selling stockholders. **Office**—350 E. 22nd St., Chicago 16, Ill. **Underwriter**—Harriman Ripley & Co., New York City (managing).

Doughboy Industries, Inc.
April 12, 1961 filed 100,000 shares of common stock. **Price** — To be supplied by amendment. **Business** — The manufacture and sale of flour used for spaghetti, macaroni and noodles; the production of animal feeds, plastic toys and swimming pools, and the manufacture of machinery for heat sealing and labeling containers. **Proceeds** — For working capital and the repayment of loans. **Office**—New Richmond, Wis. **Underwriter**—Kalman & Co., Inc., St. Paul, Minn. (managing).

Dubow Chemical Corp.
April 10, 1961 (letter of notification) 80,000 shares of class A common stock (par one cent). **Price**—$2.25 per share. **Business**—The development and manufacture of chemical products. **Proceeds**—For general corporate purposes. **Office**—222 Newbridge Ave., East Meadow, L. I., N. Y. **Underwriters** — Planned Investing Corp., New York City and Fidelity Investors Service, East Meadow, L. I., N. Y.

Dynamic Measurements Co.
April 17, 1961 (letter of notification) 100,000 shares of common stock (no par). **Price**—$3 per share. **Proceeds**—For building, equipment, and working capital. **Address**—Jenkintown, Pa. **Underwriter**—Harrison & Co., Philadelphia, Pa.

Dynamic Vending Corp.
April 26, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price** — $4 per share. **Business**—The purchase and sale of vending equipment and electrical appliances. **Proceeds**—For general corporate purposes and working capital. **Office** — 44 Beaver Street, New York 4, N. Y. **Underwriter**—A. D. Gilhart & Co., Inc., New York, N. Y.

• Eastern Camera & Photo Corp.
Dec. 29, 1960 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—Operating a chain of retail stores and concessions selling cameras, film and photographic supplies and equipment; also processes and prints black and white photographic film. **Proceeds**—To reduce indebtedness incurred by acquisitions, to pay notes due, and for general corporate purposes. **Office**—68 W. Columbia Street, Hempstead, N. Y. **Underwriter**—Casper Rogers & Co. Inc., New York, N. Y. **Note**—This company formerly was named Eastern Camera Exchange, Inc. **Offering**—Imminent.

Eastern Lime Corp. (5/29-6/2)
March 31, 1961 filed $700,000 of subordinated debentures, due 1976. **Price**—At 100% of principal amount. **Business**—The operation of a quarry in Kutztown, Pa., and the production of limestone for cement companies. **Proceeds**—For new equipment and the repayment of debt. **Office**—Kutztown, Pa. **Underwriters**—Stroud & Co., Inc., Philadelphia and Warren W. York & Co., Inc., Allentown, Pa. (co-managers).

Ed-U-Cards Mfg. Corp.
April 21, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price** — $3 per share. **Business**—The manufacture of card games and educational items. **Proceeds**—For repayment of loans; working capital; promotion, and new market developments. **Office** — 1305 44th Avenue, Long Island City, N. Y. **Underwriters**—Kenneth Kass and J. J. Krieger & Co., Inc., New York, N. Y.

★ Eichler Homes, Inc.
May 16, 1961 filed $2,000,000 of convertible subordinated debentures due June 1, 1973. **Price**—To be supplied by amendment. **Proceeds**—For the purchase of additional land. **Office**—Palo Alto, Calif. **Underwriter**—J. S. Strauss & Co., San Francisco, Calif. (managing).

Electra International, Ltd.
May 5, 1961 filed 70,000 shares of capital stock. **Price**—To be supplied by amendment. **Business**—The manufacture of products in the automotive ignition field for sale outside of the United States. **Proceeds** — For research, and development, and working capital. **Office**—222 Park Ave., South, New York City. **Underwriters**—Robert A. Martin Associates, Inc., and Ezra Kureen Co., both of New York City.

Electrarc, Inc.
April 21, 1961 filed 100,000 shares of common stock, **Price** — $5 per share. **Business** — The research and development of arc welding and wire shielding. **Proceeds**—For equipment, working capital and miscellaneous expenses. **Office**—505 Washington St., Lynn, Mass. **Underwriter**—P. de Rensis & Co. Inc., Boston, Mass.

Electro Industries, Inc.
July 19, 1960 (letter of notification) 75,000 shares of class A common stock (no par) and 20,000 shares of additional class A common stock to be offered to the underwriters. **Prices**—Of class A common, $2 per share; of additional class A common, 2½ cents per share. **Proceeds**—To expand the company's inventory to go into the packaging and export of electrical equipment, and for working capital. **Office**—1346 Connecticut Ave., N. W., Washington, D. C. **Underwriter** — Carleton Securities Corp., Washington, D. C.

Electronic Aids, Inc.
March 29, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price** — $3 per share. **Business**—Engaged in medical electronics and the production of electronic teaching devices. **Proceeds** — To purchase equipment and raw materials, and for working capital. **Office**—857 N. Eutaw St., Baltimore, Md. **Underwriter**—R. Topik & Co., Inc., 295 Madison Ave., New York, N. Y.

• Electronic Associates, Inc. (5/29)
March 30, 1961 filed 75,000 shares of capital stock (par $1). **Price**—To be supplied by amendment. **Business**—The development, production and sale of analog computers and precision electronic laboratory equipment; and also computer engineering services at three centers in the United States and Europe. **Proceeds** — To repay loans and for working capital. **Office** — Long Branch, N. J. **Underwriter**—W. C. Langley & Co., New York City (managing).

Elgeet Optical Co., Inc.
March 28, 1961 filed 180,000 shares of common stock. **Price** — $6.50 per share. **Business** — The production of lenses and optical systems for camera manufacturers. **Proceeds**—For repayment of bank loans, new machinery, research and development, with the balance for general corporate purposes. **Office**—838 Smith Street, Rochester, N. Y. **Underwriter**—Troster, Singer & Co., New York City (managing). **Offering**—Expected in late May.

• Elion Instruments, Inc. (5/31)
Oct. 28, 1960 filed 60,000 outstanding shares of capital stock (par 50 cents), together with five-year warrants for the purchase of 6,000 new capital shares, to be offered for sale in units of one share of stock and one-tenth of a warrant. No sale will be made of less than 10 such units. **Price**—To be related to the price of the company's stock in the over-the-counter market immediately prior to the offering. **Business**—The firm makes and sells instruments and equipment for scientific and industrial measurement and analyses. **Proceeds**—To selling stockholders, who are two company officers who will lend the net proceeds to the company. **Office**—430 Buckley St., Bristol, Pa. **Underwriter** — Warner, Jennings, Mandel & Longstreth, Philadelphia, Pa.

Empire Devices, Inc. (6/5)
April 3, 1961 filed 105,000 outstanding shares of common stock to be offered for public sale by the present holders thereof. **Price**—Between $10 and $12 per share. **Business**—The manufacture of electronic test equipment. **Proceeds**—For the selling stockholders. **Office**—Amsterdam, N. Y. **Underwriter**—Hayden, Stone & Co., New York City (managing).

Empire Life Insurance Co. of America
March 14, 1961 (letter of notification) 30,000 shares of capital stock (no par). **Price**—$10 per share. **Proceeds**—To go to selling stockholders. **Office**—2801 W. Roosevelt Road, Little Rock, Ark. **Underwriter**—Consolidated Securities, Inc., 2801 W. Roosevelt Road, Little Rock, Ark.

Enterprise Equipment, Inc.
April 5, 1961 filed 12,000 shares of 6% cumulative preferred stock. **Price**—At par ($25). **Business**—The company was organized in January, 1961, by Arden Farms Co., parent, to own and lease trucks and equipment used in the processing and distribution of dairy products. **Proceeds**—For general corporate purposes. **Office**—1501 Fourth Avenue South, Seattle, Wash. **Underwriter**—None.

Equity Capital Co.
April 7, 1961 filed 100,000 shares of common stock (par $1.25). **Price**—To be supplied by amendment. **Business**—The making of short-term construction and second mortgage loans, and the buying of improvement loan obligations from the holders thereof. **Proceeds**—To retire debt and for working capital. **Office** — 430 First Avenue North, Minneapolis, Minn. **Underwriter**—Paine, Webber, Jackson & Curtis, New York City (managing). **Offering**—Expected some time in June.

• Far West Financial Corp. (5/26)
March 30, 1961 filed 950,000 shares of capital stock, of which a maximum of 770,000 shares will be offered for public sale by the company, and a maximum of 180,000 outstanding shares will be offered by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The company owns a majority of State Mutual Savings & Loan Association capital stock and operates an insurance agency. **Proceeds**—To repay loans, and to make loans to developers of real estate projects. **Office**—415 West Fifth St., Los Angeles, Calif. **Underwriter**—Eastman Dillon, Union Securities & Co., New York City (managing).

Faradyne Electronics Corp.
Jan. 30, 1961 filed $2,000,000 of 6% convertible subordinated debentures. **Price**—100% of principal amount. **Business**—The company is engaged in the manufacture and distribution of high reliability materials and basic electronic components, including dielectric and electrolytic capacitors and precision tungsten wire forms. **Proceeds**—For the payment of debts and for woorking capital. **Office**—471 Cortlandt Street, Belleville, N. J. **Underwriter**—S. D. Fuller Co.

Federal Factors, Inc.
May 8, 1961 filed $700,000 of 6½% convertible subordinated debentures due 1976 and 70,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—A finance company. **Proceeds**—To repay loans, and for working capital. **Office**—400 S. Beverly Drive,

Beverly Hills, Calif. **Underwriters**—Thomas Jay, Winston & Co., Beverly Hills, Calif.; Maltz, Greenwald & Co. and Globus, Inc., New York, N. Y.

Fiat Metal Manufacturing Co., Inc.
March 29, 1961 filed 220,462 outstanding shares of common stock (par 10 cents), to be offered for public sale by the present holder thereof. **Price**—To be supplied by amendment. **Business**—The manufacture and distribution of prefabricated metal shower cabinets, glass shower enclosures and pre-cast shower floors. **Proceeds**—For the selling stockholder. **Office** — Michael Court, Plainview, L. I., N. Y. **Underwriter**—Dempsey-Tegeler & Co., St. Louis and New York City. **Offering**—Expected in early-to-mid June.

• Fidelity Bankers Life Insurance Corp. (6/26-30)
April 27, 1961 filed 547,128 shares of common stock. **Price** — To be supplied by amendment. **Business** — The writing of ordinary, group and credit life insurance in 13 states and the District of Columbia. **Proceeds**—For additional capital. **Office**—Broad at Willow Lawn, Richmond, Va. **Underwriters** — Lee Higginson Corp., and Shearson, Hammill & Co., both of New York City (managing).

• Fireco Sales Ltd. (6/15)
March 31, 1961 filed 123,000 outstanding shares of common stock (no par). **Price**—To be supplied by amendment. **Business**—The service merchandising of non-food consumer items in Canada, mainly in supermarkets. **Proceeds** — For the selling stockholder. **Office** — 33 Racine Rd., Rexdale (Toronto), Canada. **Underwriter**—McDonnell & Co., New York City (managing).

★ First Diversified Fund
May 15, 1961 filed 20,000 shares of the Fund. **Price**—$100 per share. **Business**—The Fund was organized in May, 1961, to provide investors with an opportunity to own an interest in diversified income-producing properties, chiefly real estate. **Proceeds**—For investment. **Office**—627 Salem Avenue, Dayton, Ohio. **Sponsor**—The Dahio Co., Dayton, Ohio.

First Small Business Corp. of New Jersey
April 18, 1961 filed 300,000 shares of capital stock (par $1), to be offered for public sale by the present holder thereof. **Price** — $12.50 per share. **Business** — A small business investment company organized in July, 1960, by the National State Bank of Newark, sole stockholder. **Proceeds**—For investment and working capital. **Office**—810 Broad St., Newark, N. J. **Underwriters**—Shearson, Hammill & Co., New York City and Heller & Meyer, East Orange, N. J. **Offering**—Expected in early June.

First Small Business Investment Company of Tampa, Inc.
Oct. 6, 1960 filed 500,000 shares of common stock. Price—$12.50 per share. Proceeds — To provide investment capital. Office—Tampa, Fla. Underwriter—None.

Flato Realty Fund
April 21, 1961 filed 2,000,000 shares of participation in the Fund. **Price**—$10 per share. **Business**—A new real estate investment trust. **Proceeds** — For investment. **Office**—Highway 44 and Baldwin Blvd., Corpus Christi, Texas. **Distributor**—Flato, Bean & Co., Corpus Christi, Texas.

Florida Metal Supply Corp.
April 27, 1961 (letter of notification) 42,800 shares of common stock (par 12½ cents) of which 40,000 shares are to be offered by the company and 2,800 shares by selling stockholders. **Price**—$7 per share. **Proceeds**—To repay debt and for working capital. **Office**—3900 N. W. 32nd Ave., Miami, Fla. **Underwriters**—Lapham & Co., and Cortlandt Investing Corp., New York, N. Y.

Fox Head Brewing Co.
March 16, 1961 (letter of notification) 52,806 shares of common stock (par $1.25). **Price**—At-the-market at time of sale. **Proceeds**—For redemption of preferred stock, and working capital. **Office** — 227 Maple Avenue, Waukesha, Wis. **Underwriter** — Milwaukee Co., Milwaukee, Wis.

Fox-Stanley Photo Products, Inc. (6/5-9)
March 29, 1961 filed 387,500 shares of common stock (par $1) of which 50,000 shares are to be offered for public sale by the company and 337,500 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—In May 1961 the company plans to take over the businesses of The Fox Co., San Antonio, Tex., and the Stanley Photo Service, Inc., St. Louis, Mo., which are now engaged in the processing of photographic films and the sale of photographic equipment. **Proceeds**—For working capital and possible future acquisitions. **Office**—1734 Broadway, San Antonio, Tex. **Underwriter**—Equitable Securities Corp., Nashville, Tenn.

Frederick-Willys Co., Inc.
April 20, 1961 (letter of notification) 150,000 shares of common stock (par five cents). **Price**—$1.15 per share. **Proceeds**—To repay debt, purchase additional equipment, for research and development, and working capital. **Office**—6519 Nicollet Avenue, Minneapolis, Minn. **Underwriter**—Continental Securities, Inc., Minneapolis, Minn.

• Friden, Inc. (5/23)
March 30, 1961 filed 360,000 shares of common stock of which 150,000 shares are to be offered for public sale by the company and 210,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of various products such as calculators, adding machines, data processing equipment, Ticketograph machines and electronic heaters. **Proceeds** — For plant expansion, new equipment, prepayment of loans, and inventory. **Office** —2350 Washington Avenue, San Leandro, Calif. **Underwriters**—Dean Witter & Co., San Francisco and Merrill Lynch, Pierce, Fenner & Smith Inc., New York City.

Frontier Airlines, Inc.
March 16, 1961 filed 250,000 outstanding shares of common stock. **Price**—To be supplied by amendment. **Business**—The transportation by air of passengers, property and mail between 66 cities in 11 states. **Proceeds**—For the selling stockholders. **Office** — 5900 E. 39th Ave., Denver, Colo. **Underwriter**—To be named.

Futterman Corp. (5/29)
March 31, 1961 filed 1,000,000 shares of class A stock (par $1). **Price**—To be supplied by amendment. **Business** — The owning, managing, constructing, acquiring, leasing and sale of real estate properties. **Proceeds**—For the purchase of properties. **Office**—580 Fifth Avenue, New York City. **Underwriter**—Van Alstyne, Noel & Co., New York City (managing).

• GPC, Inc.
March 27, 1961 filed 2,180 shares of class A common stock and $125,000 principal amount of certificates of indebtedness to be offered in 1,680 units. **Price**—For the stock: $25 per share. For the certificates: $75 per unit. **Business**—The company is now constructing a 32 lane bowling center on Route 58 in Portsmouth, Va. **Proceeds** — For construction expenses. **Office** — 316 New Kirn Building, Portsmouth, Va. **Underwriter**—None. **Note**—This statement was withdrawn May 10.

• G-W Ameritronics, Inc. (6/15)
Jan. 25, 1961 filed 80,000 shares of common stock and 160,000 warrants to purchase a like number of common shares, to be offered for public sale in units, each consisting of one share of common stock and two warrants. Each warrant will entitle the holder thereof to purchase one share of common stock at $2 per share from March to August 1961 and at $3 per share from September 1962 to February 1964. **Price** — $4 per unit. **Business** — The company (formerly Gar Wood Philadelphia Truck Equipment, Inc.), distributes, sells, services and installs Gar Wood truck bodies and equipment in Pennsylvania, Delaware, and New Jersey, under an exclusive franchise. **Proceeds** — For general corporate purposes. **Office**—Kensington and Sedgley Avenues, Philadelphia, Pa. **Underwriter**—Fraser & Co., Inc., Philadelphia, Pa.

• Gem International, Inc. (5/29)
April 6, 1961 filed 150,000 outstanding shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—The operation of closed-door membership department stores in Denver, Kansas City, St. Louis, Minneapolis, Wichita, Washington, D. C., and Honolulu. **Proceeds**—For the selling stockholders. **Office**—10900 Page Boulevard St. Louis, Mo. **Underwriters**—Bosworth, Sullivan & Co., Inc., Denver, Colo., and Scherck, Richter Co., St. Louis, Mo. (managing).

General Economics Corp.
March 8, 1961 filed 130,000 shares of common stock. **Price**—$5 per share. **Business**—The company is active in the over-the-counter market as both broker and principal, sells mutual fund securities and life insurance, and finances the payment of life insurance premiums. **Proceeds**—For additional working capital. **Office**—130 W. 42nd Street, New York City. **Underwriter**—Continental Planning Co., 130 W. 42nd Street, New York City.

General Resistance, Inc.
April 24, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price** — $3 per share. **Business**—The manufacture of precision wire sound resistors, restance networks and measuring instruments. **Proceeds**—For repayment of loans; working capital and general corporate purposes. **Office**—430 Southern Boulevard, Bronx, N. Y. **Underwriters**—Flomenhaft, Seidler & Co., Inc., New York, N. Y., and I. R. E. Investors Corp., Levittown, N. Y.

Geriatric Pharmaceutical Corp.
Feb. 28, 1961 (letter of notification) 50,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—The distribution and sale of geriatric pharmaceuticals. **Proceeds**—For general corporate purposes. **Office**—45 Commonwealth Boulevard, Bellerose, N. Y. **Underwriter**—T. M. Kirsch Co., New York, N. Y. **Offering**—Imminent.

• Giannini Scientific Corp.
Feb. 27, 1961 (letter of notification) 30,000 shares of common stock (par 10 cents). **Price** — $10 per share. **Business**—Research, development and manufacturing in technological fields. **Proceeds** — For general corporate purposes. **Office**—30 Broad Street, New York, N. Y. **Underwriter**—Kidder. Peabody & Co., Inc., New York, N. Y.

Gilbert Data Systems, Inc.
April 14, 1961 filed 175,000 shares of common stock. **Price**—$2 per share. **Business**—The affixing of price tags, packing, warehousing of apparel and other services for department and chain stores. **Proceeds**—For plant additions, repayment of debt and working capital. **Office**—441 Ninth Ave., New York City. **Underwriter**—Schrijver & Co., New York City.

★ Gimbel Brothers, Inc.
May 11, 1961 filed $25,000,000 of sinking fund debentures, due June 1, 1981. **Price** — To be supplied by amendment. **Business**—The issuer, together with its subsidiaries, constitutes one of the country's larger department store organizations. **Proceeds** — About $7,850,000 will be used to redeem the issuer's $4.50 cumulative preferred stock, with the balance to be used for construction of branch stores and general corporate purposes. **Office**—33rd St. and Broadway, New York City. **Underwriters**—Lehman Brothers and Goldman, Sachs & Co., both of New York City (managing). **Offering**—Expected in mid-June.

Girard Industries Corp.
March 22, 1961 filed 100,000 shares of common stock (par 50 cents). **Price**—$5 per share. **Business**—The manufacture, and sale of certain types of furniture to retail dealers. **Proceeds**—For a new plant, equipment and working capital. **Office**—San Juan, Puerto Rico. **Underwriter**—Edwards & Hanly, Hempstead, N. Y. (managing). Brand, Grumet & Seigel, Inc.; Kesselmann & Co., Inc.; Casper Rogers & Co., Inc., New York City. **Offering**—Expected in late May.

Golden Triangle Industries, Inc. (5/29)
March 29, 1961 filed 87,500 shares of common stock. **Price** — $4 per share. **Business** — The manufacture and sale of doll carriages, hobby horses and pony stock horses. **Proceeds** — For working capital. **Office** — 100 South 30th and Jane Streets, Pittsburgh, Pa. **Underwriter**—Robert M. Harris & Co., Inc., Philadelphia.

• Gordon & Breach, Science Publishers, Inc.
April 21, 1961 (letter of notification) 80,000 shares of common stock (par 10 cents). **Price**—$1.75 per share. **Business**—Publishers of scientific textbooks. **Proceeds**—For working capital. **Office** — 150 Fifth Avenue, New York, N. Y. **Underwriter**—First Weber Securities Corp., New York, N. Y.

Gordon Jewelry Corp.
May 5, 1961 filed 140,000 shares of class A stock. **Price** —To be supplied by amendment. **Business**—The company conducts a retail credit jewelry business and has two life insurance subsidiaries. **Proceeds**—For expansion. **Office**—Stewart Bldg., Houston, Texas. **Underwriter** — Paine, Webber, Jackson & Curtis, New York City (managing).

Great Lakes Bowling Corp.
Feb. 24, 1961 filed $1,250,000 of 6% convertible subordinated debentures, due 1976. **Price**—$1,000 per debenture. **Business**—The operation of bowling centers with adjoining refreshment facilities in Michigan. **Proceeds**—For construction and working capital. **Office** — 6366 Woodward Ave., Detroit, Mich. **Underwriter**—None.

Great Southern Financial Corp.
March 15, 1961 filed 500,000 shares of common stock. **Price**—To be supplied by amendment. **Business** — The company plans to engage in the insurance and finance business. **Proceeds** — To organize subsidiaries. **Office**—First National Bank Bldg., Gadsden, Ala. **Underwriter**—None.

Greater Arizona Mortgage Co.
May 1, 1961 (letter of notification) 100,000 shares of common stock (par $1). **Price**—$3 per share. **Proceeds** —For working capital. **Office**—Mayer Central Building, Suite 115, Phoenix, Ariz. **Underwriters**—Henry Fricke Co., New York, N. Y. and Preferred Securities, Inc., Phoenix, Ariz.

• Growth Properties
May 9, 1961 filed 100,000 shares of common stock. **Price** —To be supplied by amendment. **Business**—The company plans to engage in all phases of the real estate business. **Proceeds** — To reduce indebtedness, construct apartment units, buy land, and for working capital. **Office**—Suite 418, Albert Bldg., San Rafael, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco, Calif. (managing).

• Guaranty National Insurance Co.
Feb. 27, 1961 (letter of notification) 120,000 shares of common stock (par 50 cents). **Price**—$2.50 per share. **Proceeds**—For investment and the operation of the company. **Office**—916 Broadway, Denver, Colo. **Underwriter**—Copley & Co., Colorado Springs, Colo., and Pacific Coast Securities Co., San Francisco, Calif. (co-managers).

Hager Inc.
March 31, 1961 filed 200,000 shares of common stock (no par). **Price**—To be supplied by amendment. **Business**—The financing and sale of household food freezers and frozen foods to the consumer. **Proceeds**—For the repayment of debt and working capital. **Office**—2926 Fairfield Ave., Bridgeport, Conn. **Underwriter**—Marron, Sloss & Co., Inc., New York City (managing). **Offering** — Expected in mid-June.

• Hallicrafters Co.
April 25, 1961 filed 300,000 shares of outstanding capital stock. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of short wave radio sets and military electronic equipment. **Proceeds** — To selling stockholders. **Office** — 4401 W. 5th Ave., Chicago, Ill. **Underwriter** — Paine, Webber, Jackson & Curtis, New York City (managing). **Offering** — Expected in early June.

★ Handmacher-Vogel, Inc.
May 17, 1961 245,000 shares of common stock, of which 94,950 shares are to be offered for public sale by the company and 120,050 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Proceeds**—For the purchase of equipment and inventory and for plant modernization. **Office**—533 7th Ave., New York City. **Underwriter**—None.

Hardeman (Paul), Inc.
April 26, 1961 filed 350,000 shares of common stock (par 25 cents). **Price**—To be supplied by amendment. **Business**—The design, engineering, construction and installation of missile launching bases and related facilities for the armed forces. **Proceeds**—For working capital. **Office**—Stanton, Calif. **Underwriter**—Michael G. Kletz & Co., New York City (managing).

Harrisonville Telephone Co.
April 3, 1961 (letter of notification) 12,500 shares of common stock (par $20) to be offered for subscription by stockholders on the basis of one new share for each two shares held. **Price**—$22.50 per share. **Proceeds**—For the repayment of loans, and working capital. **Address** — Waterloo, Ill. **Underwriter**—McCourtney-Breckenridge & Co., St. Louis, Mo.

★ Harvey Aluminum (Inc.)
May 16, 1961 filed 1,000,000 shares of class A common stock. **Price**—To be supplied by amendment. **Business**

Continued on page 38

Continued from page 37

—The production of primary aluminum and aluminum mill products. **Proceeds**—For expansion. **Office**—Torrance, Calif. **Underwriters**—Kuhn, Loeb & Co. Inc., and Tucker, Anthony & R. L. Day, both of New York City (managing).

Harvey House, Inc.
May 8, 1961 filed 140,000 shares of common stock. **Price**—$3 per share. **Business**—The publication and distribution of educational books and materials. **Proceeds**—For expansion and the repayment of debt. **Office**—5 South Buckout Street, Irvington-on-Hudson, New York. **Underwriter**—Michael G. Kletz & Co., New York City (managing).

Harvey's Stores, Inc.
April 28, 1961 filed 150,000 outstanding shares of class A stock to be offered for public sale by the present holders thereof. **Price**—$7.50 per share. **Business**—The operation of a chain of women's wear and children's apparel stores in Ohio, Indiana, Illinois and Michigan. **Proceeds**—For the selling stockholders. **Office**—500 Seventh Avenue, New York City. **Underwriter**—Maltz, Greenwald & Co., New York City (managing). **Offering**—Expected in mid-June.

• Harwyn Publishing Corp. (6/5-9)
March 30, 1961 filed 110,000 shares of class A common stock (par 10 cents). **Price**—$3.75 per share. **Business**—The publishing of illustrated encyclopedic works, principally for children. **Proceeds**—For general corporate purposes. **Office**—170 Varick Street, New York City. **Underwriter**—N. A. Hart & Co., Bayside, N. Y.

Hathaway Instruments, Inc.
May 5, 1961 filed 351,280 shares of common stock, of which up to 90,000 shares are to be offered for public sale by the present holders thereof and the balance by the company. **Price**—At-the-market at time of sale. **Business**—The design, manufacture and sale of electric power recording instruments. **Office**—2401 E. Second Avenue, Denver, Colo. **Underwriters**—Bear, Stearns & Co. and Wertheim & Co., New York, N. Y.

Hickory Industries, Inc.
March 9, 1961 (letter of notification) 25,000 shares of common stock (par 10 cents). **Price**—$5 per share. **Business**—Manufacturers of barbecue machines and allied equipment. **Proceeds**—For general corporate purposes. **Office**—10-20 47th Road, Long Island City, N. Y. **Underwriter**—J. B. Coburn Associates, Inc., New York, N. Y. **Offering**—Imminent.

Holiday Sportswear, Inc.
April 21, 1961 filed 86,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of specialized bowling apparel for men, women and children. **Proceeds**—For additional working capital. **Office**—311 West Eighth St., Kansas City, Mo. **Underwriter**—George K. Baum & Co., Kansas City, Mo. (managing).

Howard Johnson Co. (5/29)
March 13, 1961 filed 660,000 outstanding shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—The company and its subsidiaries operate and supply a large restaurant chain. **Proceeds**—For the selling stockholders. **Office**—89 Beale St., Wollaston, Mass. **Underwriters**—Blyth & Co., Inc., New York City and F. S. Moseley & Co., Boston, Mass. (Co-managers).

Howe Plastics & Chemical Companies, Inc.
March 29, 1961 (letter of notification) 40,000 shares of common stock (par one cent). **Price**—At-the-market. **Business**—The manufacture of plastic items. **Proceeds**—For the repayment of debt; advertising and sales promotion; expansion and working capital. **Office**—4077 Park Avenue, Bronx 57, N. Y. **Underwriter**—J. I. Magaril Co., New York, N. Y.

★ Hydro-Space Technology, Inc.
May 12, 1961 filed 300,000 shares of common stock, of which 155,000 shares are to be offered for public sale by the company and 145,000 outstanding shares by the present holders thereof. **Price**—$3 per share. **Business**—The design, engineering, production and sale of cartridge actuated devices, the evaluation of propulsion systems and propellants, and the production of buoyancy devices for underwater research and defense. **Proceeds**—For new equipment and facilities, the repayment of loans and working capital. **Office**—West Caldwell, N. J. **Underwriters**—Michael G. Kletz & Co., Inc., and John H. Kaplan & Co., both of New York City.

Hydroswift Corp.
Oct. 20, 1960 filed 70,000 shares of common stock. **Price**—$5 per share. **Business**—The firm, which was organized in February, 1957, makes and wholesales products and services for the fiberglass industry, including particularly fiberglass boats known as "HydroSwift" and "Skyliner." **Proceeds**—For general funds, including expansion. **Office**—1750 South 8th Street, Salt Lake City, Utah. **Underwriter**—Whitney & Co., Salt Lake City, Utah.

I C Inc.
June 29, 1960 filed 600,000 shares of com. stock (par $1) **Price**—$2.50 per share. **Proceeds**—To further the corporate purposes and in the preparation of the concentrate and enfranchising of bottlers, the local and national promotion and advertising of its beverages, and where necessary to make loans to such bottlers, etc. **Office**—704 Equitable Building, Denver, Colo. **Underwriters**—Purvis & Co. and Amos C. Sudler & Co., both of Denver, Colo.

I T A Electronics Corp.
April 7, 1961 (letter of notification) 60,000 shares of common stock. **Price**—$5 per share. **Business**—Manufactures electronic equipment and components. **Proceeds**—For general corporate purposes. **Office**—Lansdown, Pa. **Underwriter**—Woodcock, Moyer, Fricke & French, Inc., Philadelphia, Pa.

★ Ihnen (Edward H.) & Son, Inc.
May 16, 1961 filed 75,000 shares of common stock. **Price**—$5 per share. **Proceeds**—To reduce indebtedness, to buy equipment, and for working capital. **Office**—Montvale, N. J. **Underwriter**—Amos Treat & Co., Inc., New York City (managing).

★ Illinois Bell Telephone Co. (5/29-6/30)
May 12, 1961 filed 4,190,652 shares of common capital stock to be offered for subscription by stockholders on the basis of one new share for each eight shares held of record May 29, with rights to expire on June 30. **Price**—At par ($20 per share). **Proceeds**—For the repayment of advances from A. T. & T., parent; property additions and improvements, and general corporate purposes. **Office**—212 W. Washington St., Chicago, Ill. **Underwriter**—None.

Income Planning Corp. (6/5-9)
Dec. 29, 1960 (letter of notification) 5,000 shares of cumulative preferred stock (no par) and 10,000 shares of class A common stock (par 10 cents) to be offered in units consisting of one share of preferred and two shares of common. **Price**—$40 per unit. **Proceeds**—To open a new branch office, development of business and for working capital. **Office**—3300 W. Hamilton Boulevard, Allentown, Pa. **Underwriter**—Espy & Wanderer, Inc., Teaneck, N. J.

Income Properties, Inc. (6/12-16)
March 31, 1961 filed 150,000 shares of class A stock (par 50 cents). **Price**—$9.75 per share. **Business**—Formerly known as Price Investors Corp., the company owns and operates six apartment houses and plans to construct two more. **Proceeds**—To repay debt and for working capital. **Office**—1801 Dorchester Road, Brooklyn, N. Y. **Underwriter**—Eisele & King,, Lebaire, Stout & Co., New York City (managing).

Indiana & Michigan Electric Co. (5/31)
April 20, 1961 filed $20,000,000 of sinking fund debentures due 1986. **Proceeds**—For the prepayment of bank loans, and working capital. **Offices**—2101 Spy Run Ave., Fort Wayne, Ind., and 2 Broadway, New York City. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co.; First Boston Corp.; Harriman Ripley & Co., Inc. **Bids**—To be received on May 31 at 11:30 a.m. (DST). **Information Meeting**—Scheduled for May 26 at 3 p.m. (DST) at American Electric Power Service Corp., 2 Broadway (11th floor) New York City.

Industrial Control Products, Inc.
March 10, 1961 filed 165,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Business**—The engineering, designing and precision machining of electronic components. **Proceeds**—For research and development, inventory, equipment, start-up costs of semi-conductor production, and for working capital. **Office**—78 Clinton Rd., Caldwell Township, N. J. **Underwriter**—Edward Hindley & Co., New York City.

Industrial Instrument Corp.
Feb. 27, 1961 filed 60,000 shares of 6% second series cumulative convertible preferred stock (par $10) to be offered for subscription by the holders of its outstanding common and first series preferred stock on the basis of one new share of preferred for each eight shares of common and one new share for each share of preferred held. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of instruments used to measure and control the flow, level, pressure and temperature of liquids and gases. **Proceeds**—To repay loans, buy new equipment and for working capital. **Office**—8400 Research Road, Austin, Texas. **Underwriter**—None.

• Industrial Materials, Inc.
April 27, 1961 (letter of notification) 150,000 shares of common stock (par one cent). **Price**—$2 per share. **Business**—The manufacture of a new patented fiber glass material to be used in rocket motor cases. **Proceeds**—For expenses, equipment and working capital. **Office**—1025 Shoreham Bldg., Washington, D. C. **Underwriter**—Atlantic Equities Co., Washington, D. C.

• Intercontinental Motels, Ltd. (5/29)
March 28, 1961 (letter of notification) 150,000 shares of common stock (par 10 cents). **Price**—$2 per share. **Proceeds**—For acquiring Fleetwood Motel Corp. and working capital. **Office**—Towne House Motor Lodge, P. O. Box 1061, Martinsville, Va. **Underwriter**—T. J. McDonald & Co., Washington, D. C.

International Flight Caterers, Inc.
May 1, 1961 (letter of notification) 75,000 shares of common stock (par one cent). **Price**—$4 per share. **Proceeds**—For plant facilities, special food trucks and working capital. **Address**—Miami, Fla. **Underwriter**—Amber, Burstein & Co., Inc., 40 Exchange Place, New York, N. Y.

International Photocopy Corp.
Feb. 28, 1961 (letter of notification) 100,000 shares of common stock. **Price**—$3 per share. **Business**—Manufacturer and distributor of office photocopying equipment, chemicals and paper. **Proceeds**—For expansion and working capital. **Office**—564 W. Randolph St., Chicago, Ill. **Underwriter**—J. J. Krieger & Co., New York City.

★ International Silver Co.
May 16, 1961 filed $7,822,000 of convertible subordinated debentures due Aug. 1, 1981 to be offered for subscription by common stockholders on the basis of $100 of debentures for each 15 shares held. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of silverware, flatware and table accessories. **Proceeds**—For the retirement of such 7% cumulative preferred shares as are tendered to the company during a period commencing June 12. **Office**—16 East 40th Street, New York City. **Underwriter**—Lehman Brothers, New York City (managing).

• Interstate Power Co. (5/18-6/2)
March 16, 1961 filed 202,333 shares of common stock being offered for subscription by common stockholders on the basis of one new share for each 16 shares held of record May 18, with rights to expire June 2. **Price**—$22 per share. **Proceeds**—To repay bank loans and for construction. **Offices**—1000 Main Street, Dubuque, Iowa, and 111 Broadway, New York City. **Underwriter**—To be determined by competitive bidding. Probable bidders: Kidder, Peabody & Co.; Salomon Bros. & Hutzler; Merrill Lynch, Pierce, Fenner & Smith Inc.; White, Weld & Co. **Bids**—To be received on May 18 at 11 a.m. (DST) on the 23rd floor of The Chase Manhattan Bank, One Chase Manhattan Plaza, New York City.

Interstate Power Co. (5/18)
March 16, 1961 filed $9,000,000 of first mortgage bonds, due 1991. **Proceeds**—To repay bank loans and for construction. **Office**—1000 Main St., Dubuque, Iowa. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co.; White, Weld & Co.; Salomon Bros. & Hutzler. **Bids**—To be received on May 18 up to 11:30 a.m. (DST) at the affice of The Chase Manhattan Bank, One Chase Plaza, New York 5, N. Y., 23rd floor. **Information Meeting**—Scheduled for May 8, at 3 p.m. (DST) at One Chase Manhattan Plaza (28th floor) New York City.

Invesco Collateral Corp.
March 6, 1961 filed $900,000 of 6% registered subordinated debentures to be offered in three series of $300,000 each, due June 30, 1965, 1966 and 1967, respectively. **Price**—$4,315; $4,190 and $4,079 per $5,000 of debentures. **Business**—The company, a wholly-owned subsidiary of Investors Funding Corp. of New York was organized under New York law in June, 1960, to purchase, invest in and sell real estate mortgages. **Proceeds**—For investment. **Office**—511 Fifth Avenue, New York City. **Underwriter**—None.

Investors Funding Corp. of New York
May 1, 1961 filed $2,000,000 of registered subordinated debentures due 1976 (with class A warrants to purchase 20,000 class A shares) and 40,000 shares of class A stock to be offered for public sale in units consisting of one $500 debenture and 10 class A shares. **Price**—$650 per unit. **Business**—The buying, selling and investing in real estate particularly apartment houses in the New York City area. **Proceeds**—For general corporate purposes. **Office**—630 Fifth Avenue, New York City. **Underwriter**—Eisele & King, Libaire, Stout & Co., New York City.

• Investors Preferred Life Insurance Co. (6/1)
March 30, 1961 filed 400,000 shares of common stock. **Price**—$2.40 per share. **Business**—The company is authorized to sell life, accident and health insurance. **Proceeds**—To be added to capital and surplus. **Office**—310 Spring Street, Little Rock, Ark. **Underwriter**—Life Securities, Inc., P. O. Box 3662, Little Rock.

• Irvington Steel & Iron Works (5/23)
Feb. 13, 1961 (letter of notification) 150,000 shares of common stock (par 50 cents). **Price**—$2 per share. **Business**—Fabricators of structural steel. **Proceeds**—For general corporate purposes. **Office**—Somerset Street, New Brunswick, N. J. **Underwriter**—L. L. Fane & Co., Inc., Plainfield, N. J.

"Isras" Israel-Rassco Investment Co. Ltd.
March 27, 1961 filed 30,000 shares of ordinary stock. **Price**—$62 per share. The company may, but is not obligated to, accept payment in State of Israel bonds. **Proceeds**—For the construction of hotels, office buildings, housing projects and the like. **Office**—Tel Aviv, Israel. **Underwriter**—None.

• Ivest Fund, Inc. (6/15)
Feb. 20, 1961 filed 150,000 shares of common stock. **Price**—Net asset value at the time of the offering. **Business**—A non-diversified, open-end investment company, whose stated objective is capital appreciation. **Proceeds**—For investment. **Office**—One State Street, Boston, Mass. **Underwriter**—Ivest, Inc., One State Street, Boston, Mass.

Jackson National Life Insurance Co.
April 11, 1961 filed 300,000 shares of class A common stock. **Price**—$4 per share. **Business**—The company plans to engage in the life insurance business. **Proceeds**—For capital funds, and working capital. **Office**—245 West Michigan Avenue, Jackson, Mich. **Underwriter**—Apex Investment Co., Detroit.

★ Jefferson Construction Co.
May 10, 1961 filed 340,000 shares of common stock, of which 110,000 shares are to be offered for public sale by the company and 230,000 outstanding shares by the present holders thereof. **Price**—$5.50 per share. **Business**—The company bids on government contracts for the erection of buildings, roads, dams, airstrips and canals and undertakes construction contracts for private commercial interests on a lump sum or a cost-plus-fixed-fee basis. **Proceeds**—For the purchase of equipment. **Office**—75 First St., Cambridge, Mass. **Underwriter**—Pistell, Crow, Inc., New York City.

• Jefferson Counsel Corp.
March 13, 1961 filed 30,000 shares of class B common stock (non-voting). **Price**—$10 per share. **Business**—The company was organized under Delaware law in January 1961 to sponsor the organization of the Jefferson Growth Fund, Inc., a new open-end diversified investment company of the management type. **Proceeds**—For organiza-

tional and operating expenses. **Office**—52 Wall St., New York City. **Underwriter**—None. **Offering** — Expected about mid-June.

Jodmar Industries, Inc.
Feb. 24, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—Design, lay-out, installation and maintenance of industrial heating and air-conditioning systems. **Proceeds**—For the purchase of inventory for current business; purchase of machinery, equipment and inventory for proposed manufacturing business; sales promotion and reserves. **Office**—8801-11 Farragut Road, Brooklyn 36, N. Y. **Underwriter**—Fontana Securities, Inc., 82 Beaver Street, New York, N. Y.

Jolyn Electronic Manufacturing Corp.
April 24, 1961 (letter of notification) 64,500 shares of common stock (par one cent). **Price** — $3 per share. **Business**—The manufacture of machine tool products, drift meters, sextants and related items. **Proceeds**—For repayment of a loan, working capital, and general corporate purposes. **Office**—Urban Avenue, Westbury, L. I., N. Y. **Underwriter**—Kerns, Bennett & Co., Inc., New York, N. Y.

Jordan (Edith), Inc.
May 1, 1961 (letter of notification) 32,488 shares of common stock (no par). **Price**—$7.50 per share. **Proceeds**—For a product line, inventory, and reserve credit. **Office**—524 Franklin Street, Fayetteville, N. C. **Underwriters**—Powell, Kistler & Co., Fayetteville, N. C.; French & Crawford, Inc., Atlanta, Ga.; Southeastern Securities Corp., Charlotte, N. C.; Clark, Landstreet & Kirkpatrick, Inc., Nashville, Tenn. and C. F. Cassell, Inc., Charlottesville, Va.

Julie Research Laboratories, Inc.
March 29, 1961 filed 100,000 outstanding shares of common stock to be offered for public sale by the present stockholder. **Price**—$10 per share. **Business**—Basic research and development leading to the design, manufacture and sale of precise electronic components and instruments. **Proceeds**—For the selling stockholder. **Office**—603 West 130th Street, New York City. **Underwriter**—C. E. Unterberg, Towbin Co., New York City (managing).

Jungle Juice Corp.
Oct. 28, 1960 (letter of notification) 120,000 shares of common stock (par 25 cents). **Price** — $2.50 per share. **Proceeds**—For working capital and expansion. **Address**—Seattle, Wash. **Underwriter**—Fidelity Investors Service, East Meadow, N. Y.

Kaiser Aluminum & Chemical Corp.
March 30, 1961 filed 61,169 outstanding shares of 4¾% cumulative convertible (1961 series) preference stock ($100 par) and 305,834 outstanding shares of common stock, to be offered for public sale by the holders thereof. **Price**—To be supplied by amendment. **Business**—The company is a producer of primary aluminum and aluminum products. **Proceeds**—For the selling stockholders. **Office** — 300 Lakeside Drive, Oakland, Calif. **Underwriter**—None.

Kawecki Chemical Co.
March 23, 1961 filed $3,500,000 of 4⅞% convertible subordinated debentures, due 1976, and 17,282 shares of common stock (par 25 cents), issuable upon the exercise of warrants. The debentures are being offered for subscription by stockholders on the basis of $100 principal amount of debentures for each 15 shares held of record May 10 with rights expiring May 24. **Price**—At par. **Business** — The research and pilot plant production of rare metals. **Proceeds**—To repay debt and for working capital. **Office**—Boyertown, Pa. **Underwriter**—Carl M. Loeb, Rhoades & Co., New York City (managing).

• **King Kullen Grocery Co., Inc. (5/29)**
March 28, 1961 filed 180,000 shares of class A stock, of which 50,000 shares are to be offered for public sale by the company and 130,000 outstanding shares by the present holders thereof. **Price** — To be supplied by amendment. **Business**—The operation of a chain of self-service food stores in the Long Island, N. Y., area. **Proceeds**—For the construction and equipping of a new warehouse and office. **Office** — 178-02 Liberty Ave., Jamaica, N. Y. **Underwriters**—Hemphill, Noyes & Co., and Estabrook & Co., New York City (managing).

Kings Electronics Co., Inc.
Jan. 27, 1961 filed 295,187 shares of common stock, of which 250,000 are to be offered for public sale by the company and 45,187 shares, being outstanding stock, by the present holders thereof. **Price**—$4 per share for the new stock. The outstanding shares will be offered at the prevailing market price on the over-the-counter market or on any securities exchange upon which they may be listed at any time after 60 days from the date of the company's offering. **Business**—The company is engaged principally in the design, development and manufacture of radio frequency connectors. **Proceeds**—For expansion, the repayment of loans and for working capital. **Office**—40 Marbledale Road, Tuckahoe, N. Y. **Underwriter**—Ross, Lyon & Co., Inc., New York City (managing).

Knickerbocker Biologicals, Inc.
Dec. 23, 1960, filed 100,000 outstanding shares of class A stock. **Price**—$6 per share. **Business**—The manufacture, packaging and distribution of a line of diagnostic serums and cells used for the purpose of blood grouping and testing. The company also operates blood donor centers in New York and Philadelphia. **Proceeds**—For the selling stockholders. **Office**—300 West 43rd Street, New York City. **Underwriter**—None.

Kreisler (Charles), Inc.
Feb. 27, 1961 (letter of notification) 60,000 shares of common stock (par $1). **Price**—$5 per share. **Business**—Sale and rental of automobiles. **Proceeds**—Acquisition of cars for rental purposes; acquisition of additional salesroom; advertising and sales promotion and for working capital. **Office**—241 Park Avenue, New York, N. Y. **Underwriter**—Albion Securities Co., Inc., New York, N. Y.

Krystinel Corp.
April 12, 1961 filed 90,000 shares of class A stock. **Price**—$2.50 per share. **Business**—The company produces ferrites, which are ceramic-like materials with magnetic properties, and conducts a research and development program for ferrite products. **Proceeds**—For the repayment of a loan, research and development, new equipment and working capital. **Office**—P. O. Box 6, Fox Island Road, Port Chester, N. Y. **Underwriters**—Ross, Lyon & Co., Inc., and Schrijver & Co., both of New York City.

Lafayette Realty Co.
April 28, 1961 filed 129.3 limited partnership interests. **Price**—$5,000 per interest. **Business**—The partnership owns a contract to purchase the fee title to the Lafayette Building in Detroit, Mich. **Proceeds**—To purchase the above property. **Office**—18 E. 41st Street, New York City. **Underwriter**—Tenney Securities Corp., 18 E. 41st Street, New York City.

★ **Lamtron Industries, Inc.**
May 3, 1961 (letter of notification) 50,000 shares of common stock (par 10 cents). **Price**—$6 per share. **Proceeds**—For equipment, inventory, and working capital. **Office**—1425 Northwest Miami Court, Miami, Fla. **Underwriter**—Lewis Wolf, Inc., New York, N. Y.

Lannett Co., Inc.
April 7, 1961 (letter of notification) 150,000 shares of common stock. **Price**—$2 per share. **Business**—The manufacture and sale of pharmaceuticals. **Proceeds**—For a new building, research and development, and a sales training program. **Office**—Frankford Ave., and Allen St., Philadelphia, Pa. **Underwriter** — Netherlands Securities Co., Inc., New York City.

★ **Lanvin-Parfums, Inc.**
May 17, 1961 filed 440,000 shares of common stock. **Price**—To be supplied by amendment. **Proceeds**—To E. L. Cournand, the issuer's president, selling stockholder. **Office**—New York City. **Underwriter**—Goldman, Sachs & Co., New York City (managing).

"Lapidoth" Israel Oil Prospectors Corp. Ltd.
Oct. 27, 1960 filed 1,500,000 ordinary shares. **Price**—To be supplied by amendment, and to be payable either totally or partially in Israel bonds. **Business**—The company was organized in October 1959 as a consolidation of individual and corporate licensees who had been operating in the oil business as a joint venture. **Proceeds**—For exploration and development of oil lands. **Office**—22 Rothschild Blvd., Tel-Aviv, Israel. **Underwriter**—None.

Lincoln Fund, Inc.
March 30, 1961 filed 951,799 shares of common stock. **Price** — Net asset value plus a 7% selling commission. **Business** — A non-diversified, open-end, management-type investment company whose primary investment objective is capital appreciation and, secondary, income derived from the sale of put and call options. **Proceeds**—For investment. **Office**—300 Main St., New Britain, Conn. **Distributor**—Horizon Management Corp., New Britain.

• **Lindy Hydrothermal Products, Inc.**
March 30, 1961 filed 65,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—The design, manufacture, distribution and sale of heat exchange products and custom tanks for the storage of water, chemicals and other liquids. **Proceeds**—For new equipment, plant relocation, product development and repayment of debt. **Office**—2370 Hoffman Street, New York City. **Underwriter**—Bond, Richman & Co., New York City.

★ **Lorillard (P.) Co.**
May 11, 1961 filed $40,000,000 of sinking fund debentures due June 1, 1986. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of cigarettes, chewing tobacco and little cigars. **Proceeds**—For the repayment of bank loans. **Office**—200 East 42nd St., New York City. **Underwriters**—Lehman Brothers and Smith, Barney & Co., both of New York City. **Offering**—Expected about mid-June.

• **Lytton Financial Corp. (6/15)**
March 30, 1961 filed 300,000 shares of capital stock. **Price**—To be supplied by amendment. **Business**—The company owns the stocks of several California savings and loan associations. It also operates an insurance agency, and through a subsidiary, Title Acceptance Corp., acts as trustee under trust deeds securing loans made by the associations. **Proceeds**—To repay loans and for working capital. **Office** — 8150 Sunset Boulevard, Hollywood, Calif. **Underwriters**—William R. Staats & Co., Los Angeles and Shearson, Hammill & Co., New York City (managing).

M & F Graphic Arts & Industrial Photographic Supply Co.
May 1, 1961 filed 80,000 shares of class A common stock, of which 60,000 shares are to be offered for the account of the issuing company and 20,000 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. **Price** — To be supplied by amendment. **Business**—The distribution of photographic supplies to amateur and professional photographers. **Proceeds**—For working capital and general corporate purposes. **Office**—220 Luckie St., N. W., Atlanta, Ga. **Underwriter** — Robinson-Humphrey Co., Inc., Atlanta, Ga. (managing).

(E. F.) Mac Donald Co. (5/29)
April 11, 1961 filed 275,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—The creation and administration of incentive campaigns designed to achieve the sales objectives of its customers. **Proceeds**—For the selling stockholders. **Office**—120 So. Ludlow St., Dayton, Ohio. **Underwriters**—Smith, Barney & Co., Inc., New York City and Merrill, Turben & Co., Inc., Cleveland, Ohio (managing)

MacGregor Bowling Centers, Inc.
May 3, 1961 filed 120,000 shares of common stock, of which 100,000 will be offered for public sale by the company and 20,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Proceeds**—To repay loans and for working capital. **Office**—5309 South Park Blvd., Houston, Tex. **Underwriters**—Rowles, Winston & Co., and Fridley & Frederking, Houston.

Mages Sporting Goods Co.
May 1, 1961 filed 1,029,961 shares of common stock to be offered for subscription by stockholders on the basis of one new share for each two common shares held. **Price**—To be supplied by amendment. **Business**—The mail order and retail sale of sporting goods and recreational equipment. **Proceeds**—For the repayment of debt and other corporate purposes. **Office** — 227 West Madison Street, Chicago, Ill. **Underwriter**—None.

Magnefax Corp. (5/29)
April 10, 1961 filed 200,000 shares of no par common stock. **Price**—$5 per share. **Business**—The company plans to distribute desk-top copy machines and supplies. **Proceeds**—For new equipment, leasing office space, salaries, advertising, and other corporate purposes. **Office**—1228 Commercial Trust Bldg., Philadelphia, Pa. **Underwriter**—Stroud & Co., Inc., Philadelphia (managing).

• **Mallory Randall Corp. (5/23)**
March 30, 1961 filed 120,000 shares of common stock (par 10 cents). **Price**—To be supplied by amendment **Business**—The design, manufacture and sale of a line of plastic insulated food and drink serving accessories, principally mugs, bowls and tumblers. **Proceeds**—For plant relocation, new equipment, and other corporate purposes. **Office**—84 Clifton Place, Brooklyn, N. Y. **Underwriter**—Pistell, Crow, Inc., New York City.

• **Marcon Electronics Corp.**
Feb. 27, 1961 (letter of notification) 30,000 shares of common stock (par $1). **Price — $10 per share. Business** — Manufacture of electrical and electronic equipment. **Proceeds**—For purchase of equipment and tooling, research and development and working capital. **Office**—199 Devon Terrace, Kearny, N. J. **Underwriter**—Meade & Co., New York, N. Y. **Offering**—Imminent.

Marine & Electronics Manufacturing Inc.
Sept. 22, 1960 (letter of notification) 75,000 shares of common stock. **Price**—$4 per share. **Proceeds**—For expenses in the fabrication of sheet metal parts for missiles, rockets, radar and marine items. **Address** — 319 W. Howard St., Hagerstown, Md. **Underwriter**—Lecluse & Co., Washington, D. C. **Offering**—Expected in early June.

• **Marine Structures Corp.**
Feb. 1, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—$3 per share. **Proceeds**—To purchase raw materials, advertising and for working capital. **Office**—204 E. Washington St., Petaluma, Calif. **Underwriter**—Grant, Fontaine & Co., Oakland, Calif. **Offering**—Expected in early June.

• **Marrud, Inc. (6/15)**
April 12, 1961 filed 194,750 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 94,750 outstanding shares by the present holders thereof. **Price** — To be supplied by amendment. **Business** — The wholesale distribution of cosmetics, beauty aids, health aids and related products. **Office**—189 Dean St., Norwood, Mass. **Underwriter**—McDonnell & Co., New York City.

Massachusetts Electric Co. (6/27)
April 24, 1961 filed $17,500,000 of first mortgage bonds, series F, due 1991. **Proceeds** — For the repayment of debt and for construction. **Office** — 939 Southbridge Street, Worcester, Mass. **Underwriters**—To be determined by competitive bidding. **Probable** bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co., and Coffin & Burr, Inc. **Bids**—To be received on June 27, 1961.

Mecanair Corp.
April 17, 1961 (letter of notification) 60,000 shares of common stock (no par). **Price**—$3 per share. **Proceeds**—To purchase equipment and for working capital. **Office**—120 Union Ave., Sudbury, Mass. **Underwriter** — Old Colony Securities Corp., Stoneham, Mass.

• **Metropolis Bowling Centers, Inc.**
May 1, 1961 filed 198,000 shares of common stock, of which 120,000 shares are to be offered for public sale by the company and 78,000 outstanding shares by the present holders thereof. **Price**—About $5 per share. **Business**—The acquisition and operation of bowling centers, principally in New York City. **Proceeds**—To improve existing properties and acquire other bowling centers. **Office**—647 Fulton Street, Brooklyn, N. Y. **Underwriters**—Russell & Saxe, Inc., (managing); Thomas, Lee & Williams, Inc., and V. S. Wickett & Co., New York City. **Offering**—Expected in mid-June.

• **Metropolitan Securities, Inc.**
Nov. 17, 1960 (letter of notification) 100,000 shares of class A common stock (par $1). **Price**—$3 per share. **Proceeds — For working capital. Office** — 919-18th St., N. W., Washington, D. C. **Underwriter** — Metropolitan Brokers, Inc., Washington, D. C.

Michigan Consolidated Gas Co. (5/23)
April 14, 1961 filed $30,000,000 of first mortgage bonds, due 1986. **Proceeds**—For the repayment of debt and for construction. **Office**—415 Clifford Street, Detroit, Mich. **Underwriters**—To be determined by competitive bid-

Continued on page 40

Continued from page 39

ding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; Lehman Brothers. **Bids**—To be received in Detroit on May 23 at 11:30 a.m. (DST).

Michigan Wisconsin Pipe Line Co. (6/14)
April 21, 1961 filed $30,000,000 of first mortgage pipe line bonds, due 1981. **Proceeds**—For construction. **Office**—500 Griswold St., Detroit, Mich. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Blyth & Co., Inc. **Bids**—To be received on June 14 at 11 a.m. (DST) in Suite 4950, 30 Rockefeller Plaza, New York City.

● Micro Electronics Corp. (6/5-9)
March 31, 1961 filed 100,000 shares of common stock. **Price** — $4 per share. **Business** — The manufacture of printed circuits for the electronics industry. **Proceeds**—$124,000 for new plant, $76,000 for equipment, and $110,000 for working capital. **Office**—1191 Stout St., Denver, Colo. **Underwriter**—R. Baruch & Co., Washington, D. C. (managing).

Microtron Industries, Inc.
March 1, 1961 (letter of notification) 300,000 shares of common stock (par 10 cents). **Price** — $1 per share. **Proceeds** — For purchase of equipment; inventory of parts; working capital; and research and development. **Office** — 120 S. Fairfax, Denver, Colo. **Underwriter** — Amos C. Sudler & Co., Denver, Colo.

★ Microwave Semiconductor & Instruments Inc.
May 12, 1961 filed 120,000 shares of common stock. **Price**—$3 per share. **Business**—The research, development, manufacture and sale of microwave devices and instruments. **Proceeds**—For additional equipment, research, inventory and working capital. **Office** — 116-06 Myrtle Avenue, Richmond Hill, N. Y. **Underwriter** — First Investment Planning Co., Washington, D. C.

Midwestern Acceptance Corp.
Sept. 8, 1960, filed 1,169,470 shares of common stock and $994,050 of 6% debentures, to be offered for public sale in units of one share of stock and 85 cents of debentures. **Price** — $1 per unit. **Business** — The company will do interim financing in the home building industry. **Proceeds**—To start its lending activities. **Address**—P. O. Box 886, Rapid City, S. D. **Underwriter**—None.

Minneapolis Scientific Corp.
March 24, 1961 filed 1,500,000 shares of common stock. **Price**—$1.15 per share. **Business**—The company is licensed under the Small Business Investment Act of 1958 and is registered with the SEC as a non-diversified, closed-end, management investment company, which will invest in the fields of electronics, physics and chemistry. **Proceeds**—For investment and operating expenses. **Office** — First National Bank Building, Minneapolis, Minn. **Underwriter**—Bratter & Co., Inc., Minneapolis, Minn. **Note**—This company was formerly named National Scientific Corp.

Miratel Electronics, Inc.
May 1, 1961 (letter of notification) 100,000 shares of common stock (par 30 cents). **Price**—$3 per share. **Proceeds**—To repay notes, for research and development, equipment and working capital. **Office**—1st St., Southeast & Richardson St., New Brighton, Minn. **Underwriter**—None.

Missile Sites, Inc.
March 30, 1961 filed 291,000 shares of common stock. **Price**—$5 per share. **Business**—A prime contractor with governmental agencies for the building of missile and radar sites and other specialized facilities. **Proceeds**—For working capital. **Office**—11308 Grandview Ave., Wheaton, Md. **Underwriter**—Balogh & Co., Inc., Washington, D. C.

★ Missile-Tronics Corp.
May 8, 1961 (letter of notification) 151,900 shares of common stock (par 10 cents). **Price**—$1.50 per share. **Business**—The manufacturers of technical equipment. **Proceeds** — For payment of loans; machinery and office equipment; reduction of current liabilities; research and development and working capital. **Office**—245 4th St., Passaic, N. J. **Underwriter** — Hopkins, Calamari & Co., Inc., 26 Broadway, New York, N. Y.

● Missouri Edison Co. (6/12)
May 1, 1961 filed $2,000,000 of first mortgage bonds, series C. The company is a subsidiary of Union Electric Co. **Proceeds**—For the repayment of loans and for expansion. **Office**—123½ North Fourth Street, Louisiana, Mo. **Underwriter** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co., and White, Weld & Co. (jointly), Salomon Brothers & Hutzler. **Bids**—To be received on June 12 at 11 a.m. (DST) in Room 1900, 60 Broadway, New York City. **Information Meeting**—Scheduled to be held June 6, at 11 a.m. (DST) second floor, Bankers Trust Co., 16 Wall St., New York City.

● Mobile Credit Corp.
Sept. 14, 1960 filed 25,874 shares of common stock and 1,000 shares of $100 par 6% cumulative convertible preferred stock. The stock will be offered for subscription by shareholders of record on the basis of two shares of new common for each three such shares held and one share of new preferred for each 38.81 common shares held, the record date in each case being Sept. 1, 1960. **Prices**—For common, $10 per share; for preferred, $100 per share. **Business**—The purchase of conditional sales contracts from dealers in property so sold, such as mobile homes, trailers, boats, and motorcycles. **Proceeds**—For working capital. **Office**—100 E Michigan Ave., Jackson. Mich. **Underwriter**—None. **Note**—This statement was withdrawn May 11.

● Model Vending, Inc.
April 27, 1961 filed 150,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The operation of vending machines for the retail sale of cigarettes, candy and a variety of other food and drink products. The company also operates coin-type phonograph machines and amusement devices. **Proceeds** — For new equipment, modernization of accounting procedures, and general corporate purposes. **Office**—4830 N. Front Street, Philadelphia, Pa. **Underwriter**—Milton D. Blauner & Co., Inc., New York City (managing), Hallowell, Sulzberger, Jenks, Kirkland & Co., Philadelphia, Pa., and M. L. Lee & Co., Inc., New York City. **Offering**—Expected about mid-June.

Moderncraft Towel Dispenser Co., Inc.
March 30, 1961 filed 80,000 shares of common stock, of which 73,750 shares are to be offered for public sale by the company and 6,250 outstanding shares by the underwriter. **Price**—$4 per share. **Business**—The manufacture and sale of an improved towel dispensing cabinet. **Proceeds**—For advertising, research and development, payment of debt, and working capital. **Office** — 20 Main Street, Belleville, N. J. **Underwriter**—Vickers, Christy & Co., Inc., New York City.

● Modern Homes Construction Co.
May 10, 1961 filed $5,500,000 of subordinated debentures due June 15, 1981 and 550,000 shares of common stock to be offered for public sale in 275,000 units, each unit consisting of $20 principal amount of debentures and two common shares. **Price**—To be supplied by amendment. **Business**—The construction, financing and sale of shell homes principally in the southern and southwestern portions of the U. S. **Proceeds**—To finance the sale of additional shell homes. **Office**—P. O. Box 1331, Valdosta, Ga. **Underwriter**—Harriman Ripley & Co., New York City (managing).

● Mohawk Insurance Co. (6/1)
Aug. 8, 1960, filed 75,000 shares of class A common stock **Price**—$12 per share. **Proceeds**—For general funds. **Office**—198 Broadway, New York City. **Underwriter**—R. F Dowd & Co., Inc., 39 Broadway, New York 6, N. Y.

Mokan Small Business Investment Corp., Inc.
Jan. 17, 1961 filed 3,000 shares of common stock. **Price**—$100 per share. **Business**—The company was organized under Kansas law in October 1960 and is applying to the Small Business Administration for a Federal license to operate as a small business investment company. **Proceeds**—For general corporate purposes. **Office** — 719 Walnut St., Coffeyville, Kan. **Underwriter**—None.

Monticello Lumber & Mfg. Co., Inc.
April 11, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—The sale of lumber, building supplies and hardware. **Proceeds**—To repay loans and for working capital. **Address**—Monticello, N. Y. **Underwriter**—J. Laurence & Co., Inc., New York, N. Y.

Montreal (City of)
May 4, 1961 filed $15,000,000 (U. S.) of sinking fund debentures for local improvements due May 15, 1981, and $10,000,000 (U. S.) of sinking fund debentures for public works due May 1, 1986. **Price**—To be supplied by amendment. **Proceeds** — For the repayment of interim borrowings and for public works programs. **Address**—Province of Quebec, Canada. **Underwriters** — Lehman Brothers, New York City; L. G. Beaubien & Co. Ltd., and Credit Interprovincial, Ltd., both of Montreal.

Morris Shell Homes, Inc.
May 1, 1961 filed $3,000,000 of 8% subordinated debentures due July 1, 1986; 150,000 shares of common stock; 150,000 first warrants and 150,000 second warrants, to be offered for public sale in units, each consisting of one $20 debenture, one common share, one first warrant and one second warrant. **Price** — To be supplied by amendment. **Business** — The construction and sale of shell homes. **Office** — 505 Morgan Street, Knoxville, Tenn. **Underwriter**—Johnson, Lane, Space Corp., Savannah (managing).

Mortgage Guaranty Insurance Co.
Oct. 17, 1960 filed 155,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—Insuring lenders against loss on residential first mortgage loans, principally on single family non-farm homes. **Proceeds**—For capital and surplus. **Office**—606 West Wisconsin Avenue, Milwaukee, Wis. **Underwriter**—Bache & Co., New York City (managing). **Note**—This stock is not qualified for sale in New York State. **Offering**—Expected in June.

Motor Travel Services, Inc.
May 2, 1961 (letter of notification) 260,000 shares of common stock (par 25 cents). **Price**—$1.15 per share. **Proceeds**—For an advertising program and working capital. **Office** — 1521 Hennepin Avenue, Minneapolis, Minn. **Underwriter**—Bratter & Co., Inc., Minneapolis, Minn.

Municipal Investment Trust Fund, Series B
April 28, 1961 filed $12,750,000 (12,500 units) of interests. **Price** — To be supplied by amendment. **Business** — The fund will invest in tax-exempt bonds of states, counties, municipalities and territories of the U. S. **Proceeds**—For investment. **Sponsor**—Ira Haupt & Co., 111 Broadway, New York City. **Offering**—Expected in mid-June.

● Municipal Investment Trust Fund, First Pa. Series
April 28, 1961 filed $6,375,000 (6,250 units) of interests. **Price**—To be supplied by amendment. **Business**—The fund will invest in tax-exempt bonds of the Commonwealth of Pennsylvania and its political sub-divisions. **Proceeds**—For investment. **Sponsor**—Ira Haupt & Co., 111 Broadway, New York City. **Offering**—Expected in mid-June.

Nash (J. M.) Co., Inc.
March 30, 1961 filed $1,000,000 of series A subordinated debentures, due July 1, 1981 and $1,000,000 of series B convertible subordinated debentures, due July 1, 1981. **Price**—To be supplied by amendment. **Business**—The manufacture of a variety of industrial products including woodworking and packaging equipment, power saws, auxiliary power plants, centrifugal pumps, inboard marine engines and a line of leisure time and sporting goods merchandise. **Proceeds**—To retire on or about Oct. 1, 1961 all outstanding 7½% convertible debentures; to repay bank loans, and for other corporate purposes. **Office**—208 Wisconsin Avenue, Milwaukee, Wis. **Underwriter**—Robert W. Baird & Co., Milwaukee (managing).

Nat Nast, Inc.
April 18, 1961 filed 150,000 shares of class A common stock. **Price**—$4 per share. **Business**—The manufacture and distribution of bowling apparel. **Proceeds** — For working capital, construction, and funds estimated at $125,000 to stock such items as bowling clothes and accessories, gym clothing, etc. **Office**—816 Central, Kansas City, Mo. **Underwriter**—Hardy & Co., New York City (managing).

● National Bagasse Products Corp. (5/22-26)
March 14, 1961 filed 16,200 units, each unit consisting of $100 of 15-year 7% subordinated debentures, 30 shares of class A common and 10 warrants (to buy a like number of class A shares). **Price** — $163.85 per unit. **Business** — Manufactures composition board, hard board and insulating board from bagasse, a waste product of sugar refining. **Proceeds** — To build a new plant at Vacherie, La. **Office**—821 Gravier St., New Orleans, La. **Underwriters**—S. D. Fuller & Co., New York City, and Howard, Weil, Labouisse, Friedrichs & Co., New Orleans (managing).

● National Food Marketers, Inc.
Jan. 27, 1961 filed 100,000 shares of common stock. **Price** $4 per share. **Business**—The company is engaged in the processing and packaging of quick-frozen, prepared seafood meat and poultry for use by restaurants and institutions and frozen ready-to-heat meals for distribution through vending machines. **Proceeds** — To repay loans; purchase additional machinery; establish a food laboratory, and for advertising, promotion, and working capital. **Office**—Blue Anchor, N. J. **Underwriter**—Robert Edelstein Co., Inc., New York City. **Note**—This filing was withdrawn.

● National Mercantile Corp. (5/31)
March 29, 1961 filed 100,000 shares of common stock and five-year warrants to purchase an additional 20,000 common shares, to be offered for public sale in units consisting of one common share and one-fifth of a warrant. **Price**—To be supplied by amendment. **Business**—The distribution and retail sale of phonograph records. **Proceeds**—For the repayment of loans and for working capital. To expand retail operations. **Office**—1905 Kerrigan Avenue, Union City, N. J. **Underwriter**—A. T. Brod & Co., New York City (managing).

National Radiac, Inc.
April 24, 1961 (letter of notification) 75,000 shares of common stock (no par). **Price**—$4 per share. **Business**—The manufacture of organic and inorganic scintillators for the detection and measurement of ionizing radiation. The company also produces the high quality crystals which serve as integral components of the detection instruments. **Proceeds** — For working capital and general corporate purposes. **Address** — Newark, N. J. **Underwriter**—Hardy & Hardy, New York, N. Y.

★ National Semiconductor Corp.
May 11, 1961 filed 75,000 shares of capital stock. **Price**—To be supplied by amendment. **Business**—The design, development, manufacture and sale of quality transistors for military and industrial use. **Proceeds** — For new equipment, plant expansion, working capital, and other corporate purposes. **Office**—Mallory Plaza Bldg., Danbury, Conn. **Underwriters** — Lee Higginson Corp., New York City and Piper, Jaffray & Hopwood, Minneapolis (managing).

New England Telephone & Telegraph Co.
March 30, 1961 this subsidiary of A. T. & T. filed 3,149,615 shares of capital stock being offered for subscription by stockholders on the basis of one new share for each seven shares held of record April 25 with rights to expire on May 19. **Price**—$42 per share. **Proceeds**—To retire $40,000,000 of first mortgage 4½% bonds, series B, which mature May 1, 1961 and to repay advances from the parent company. **Office**—185 Franklin Street, Boston, Mass. **Underwriter**—None.

New Era Mining Co.
April 6, 1961 filed 1,000,000 shares of common stock (par 25 cents). **Price** — 50 cents per share. **Business** — The company plans to operate two gold placer claims in the Black Hills of South Dakota. **Proceeds**—To repay debt, purchase equipment and for working capital. **Office**—9635 West Colfax Avenue, Denver, Colo. **Underwriter**—None.

New Orleans Public Service, Inc. (5/25)
April 13, 1961 filed $15,000,000 of first mortgage bonds, due 1991. **Proceeds** — For construction and the repayment of debt. **Office**—317 Baronne Street, New Orleans, La. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Lee Higginson Corp.; Equitable Securities Corp., and Eastman Dillon, Union Securities & Co. (jointly); Kidder, Peabody & Co. and Stone & Webster Securities Corp. (jointly); White, Weld & Co.; Salomon Brothers & Hutzler. **Bids**—To be received on May 25 at 11:30 a.m. (DST).

★ **Nissen Trampoline Co.**
May 4, 1961 (letter of notification) 9,400 shares of common stock (par $1). **Price**—At the market. **Proceeds**—For the selling stockholders. **Office**—930 27th Ave., N.W., Cedar Rapids, Iowa. **Underwriter** — Yates, Heitner & Woods, St. Louis, Mo.

● **North American Vending Manufacturing Corp.** (**5/31**)
April 19, 1961 (letter of notification) 55,000 shares of common stock (par 10 cents). **Price**—$2 per share. **Business**—The production of ice cube manufacturing and vending machines. **Proceeds**—For equipment; development of distributors, advertising and research and development. **Office**—110 Jericho Turnpike, Floral Park, N. Y. **Underwriter**—Ezra Kureen Co., New York, N. Y.

● **North Electric Co.**
March 30, 1961 filed 22,415 shares of common stock to be offered for subscription by stockholders of record May 15. **Price**—To be supplied by amendment. **Business**—This subsidiary of L. M. Ericsson Telephone Co. of Stockholm, Sweden, manufactures telecommunications equipment, remote control systems, electromechanical and electronic components, and power supply assemblies. **Proceeds**—To repay loans and for working capital. **Office**—553 South Market Street, Galion, Ohio. **Underwriter**—None.

Northwestern Public Service Co.
April 3, 1961 filed 54,571 shares of common stock to be offered for subscription by holders of common stock on the basis of one share for each 12 shares held of record May 3 with rights to expire May 22. **Price**—$25.25 per share. **Office**—Huron, S. D. **Underwriter**—A. C. Allyn & Co., Chicago.

Ohio Edison Co. (**5/22**)
April 14, 1961 filed $30,000,000 of first mortgage bonds, due 1991. **Proceeds**—For construction and the repayment of debt. **Office** — 47 North Main Street, Akron, Ohio. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Glore, Forgan & Co.; Eastman Dillon, Union Securities & Co., and White, Weld & Co. (jointly); First Boston Corp.; Morgan Stanley & Co. **Bids**—To be received at 16 Wall St., New York City on May 22 at 11:30 a.m. (DST).

Ohio-Franklin Fund, Inc.
Feb. 3, 1961 filed 2,000,000 shares of common stock to be offered to investors through a tax-free exchange of shares for securities of a selected list of companies. **Exchange Price**—Net asset value (expected to be $10 per share). **Business**—A new fund which provides a medium through which holders of blocks of securities may obtain diversification and continuous professional investment management without incurring Federal capital gains tax liability upon the exchange. **Proceeds**—For investment. **Office**—51 North High Street, Columbus, Ohio. **Distributor**—The Ohio Co., Columbus, Ohio.

Old Empire, Inc.
May 1, 1961 filed $700,000 of convertible subordinated debentures due 1971. **Price** — At par. **Business** — The manufacture, packaging and distribution of cosmetics, pharmaceuticals and household, chemical and industrial specialties. **Proceeds**—For the repayment of bank loans, property improvements and working capital. **Office**—865 Mt. Prospect Avenue, Newark, N. J. **Underwriter**—Laird, Bissell & Meeds, Wilmington, Del.

Olson Co. of Sarasota, Inc.
April 26, 1961 (letter of notification) 50,000 shares of common stock (par $1). **Price**—$5 per share. **Proceeds**—To repay loans, purchase equipment and raw materials and for working capital. **Address**—P. O. Box 2430, Sarasota, Fla. **Underwriter**—None.

● **One Maiden Lane Fund, Inc.**
April 7, 1961 filed 300,000 shares of common stock. **Price**—$3 per share. **Business**—This is a new mutual fund which will hold only convertible debentures and U. S. Treasury bonds. **Proceeds**—For investment. **Office**—One Maiden Lane, New York City. **Underwriter**—G. F. Nicholls & Co., Inc., New York City. **Offering** — Expected about mid-June.

★ **Ormont Drug & Chemical Co., Inc.**
May 2, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Business**—Manufacturers of drugs. **Proceeds**—For expansion, and working capital. **Office**—38-01 23rd Ave., Long Island City, N. Y. **Underwriter**—Havener Securities Corp., New York, N. Y.

● **Panacolor, Inc.** (**5/31**)
Feb. 24, 1961 filed 200,000 shares of common stock (par 20 cents). **Price**—$4 per share. **Business**—The company plans to engage in the business of developing and printing color film primarily for the motion picture and television industries. **Proceeds**—For the construction of two machines to print color film by the Panacolor Process; for sales promotion, market development and officers' salaries; for mortgage and interest payments; and for working capital. **Office**—6660 Santa Monica Blvd., Hollywood, Calif. **Underwriter** — Federman, Stonehill & Co., New York City (managing).

● **Pantex Manufacturing Corp.**
Dec. 27, 1960 filed 513,299 shares of capital stock, of which 307,222 shares are to be offered for the account of the issuing company and 206,077 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. The stock being offered for the company is a rights offering; one new share will be offered for each three capital shares held. **Price**—To be supplied by amendment. **Proceeds**—For the purchase of 200,000 shares of Tel-A-Sign, Inc. for $450,000, said shares to be distributed as a dividend to shareholders, with the balance for general corporate purposes, including working capital. **Office**—Central Falls, R. I. **Underwriter**—None. **Note**—This statement is expected to be withdrawn and then refiled.

★ **Peninsula Publishing & Printing Corp.**
April 27, 1961 (letter of notification) 57,000 shares of common stock (par one cent). **Price**—$3 per share. **Business**—Newspaper publishers. **Proceeds**—For sales promotion; construction of a storage building; repayment of a loan and working capital. **Office** — 379 Central Ave., Lawrence, L. I., N. Y. **Underwriter**—Arnold, Wilkens & Co., New York, N. Y.

Pennsylvania Electric Co. (**6/5**)
March 28, 1961 filed $12,000,000 of debentures, due 1986. **Office**—222 Levergood Street, Johnstown, Pa. **Underwriters**—To be determined by competitive bidding. The company has never before issued debentures. However, the following underwriters bid on the last issue of bonds: Blyth & Co., Inc., and Harriman Ripley & Co. (jointly); First Boston Corp.; Equitable Securities Corp.; Kidder, Peabody & Co.; Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co. **Bids**—To be received at 80 Pine Street, 37th floor, on June 5 at noon (DST). **Information Meeting**—To be held at the above address on June 2 at 10 a.m. (DST).

Pennsylvania & Southern Gas Co.
March 30, 1961 filed $600,000 of 5½% convertible debentures due June 1, 1981 to be offered for subscription by common stockholders on the basis of one $100 debenture for each 10 shares held. **Price** — At 100% of principal amount. **Proceeds** — To redeem all outstanding 6½% preferred stock, series A, B and C, and for construction. **Office**—137 West Lockhart St., Sayre, Pa. **Underwriter**—None.

Perini Corp.
March 30, 1961 filed 1,451,998 shares of common stock (par $1), of which 1,350,000 are to be offered for public sale by the company, and 101,998 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The company is engaged in the construction and general contracting business in the U. S. and Canada and recently entered the real estate development field. In addition it will control and operate the National League Baseball Club of Milwaukee, Inc. **Proceeds**—To repay loans and for general corporate purposes. **Office** — 73 Mt. Wayte Ave., Framingham, Mass. **Underwriters**—F. S. Moseley & Co., Boston, Mass., and Paine, Webber, Jackson & Curtis, New York City.

Permian Corp.
April 28, 1961 filed 285,000 outstanding shares of common stock to be offered for public sale by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The marketing of crude oil. **Proceeds**—For general corporate purposes. **Office** — 611 West Texas Street, Midland, Texas. **Underwriters**—Lehman Brothers and Shearson, Hammill & Co., both of New York City (managing). **Offering**—Expected in late July.

Photronics Corp. (**6/15**)
Feb. 24, 1961 filed 150,000 shares of common stock (par 10 cents), to be offered for subscription by stockholders on the basis of three new shares for each four shares held. **Price**—To be supplied by amendment. **Business**—The design, development and manufacture of optical and electro-optical systems and components used in aerial reconnaissance, photo-interpretation, photo-grammetry and optical scanning devices. **Proceeds** — For working capital, research and development, and new equipment. **Office**—134-08 36th Road, Flushing, N. Y. **Underwriter**—L. D. Sherman & Co., New York City.

Pickwick Recreation Center, Inc.
April 21, 1961 (letter of notification) 100,000 shares of common stock (no par). **Price**—$3 per share. **Proceeds**—To pay for construction, working capital and, general corporate purposes. **Office**—921-1001 Riverside Drive, Burbank, Calif. **Underwriter**—Fairman & Co., Los Angeles, Calif.

● **Pilgrim Helicopter Services, Inc.**
April 25, 1961 (letter of notification) 16,000 shares of common stock (par $1). **Price**—$5.50 per share. **Proceeds**—For general corporate purposes. **Office** — Investment Bldg., Washington, D. C. **Underwriter** — Sade & Co., Washington, D. C.

Pillsbury Co. (**5/25**)
April 27, 1961 filed $10,000,000 of sinking fund debentures due June 1, 1986. **Business**—The manufacture and sale of prepared food mixes, refrigerated dough products and flour. **Proceeds**—For the repayment of debt, and working capital. **Office**—600 Pillsbury Building, Minneapolis, Minn. **Underwriters**—Goldman, Sachs & Co., New York City and Piper, Jaffray & Hopwood, Minneapolis (managing).

● **Plasticon Corp.**
May 8, 1961 filed 665,666 shares of common stock, of which 90,666 shares are to be publicly offered, 25,000 shares are to be offered to Leyghton-Paige Corp., 150,000 shares are to be offered to Leyghton-Paige stockholders on the basis of one Plasticon share for each three Leyghton-Paige shares held, and 400,000 shares are to be offered to holders of the company's $1,200,000 of 5% promissory notes. **Price** — $3 per share, in all cases. **Business**—The manufacture of large plastic containers. **Proceeds**—To discharge the indebtedness represented by Plasticon's 5% promissory notes, with the balance for more equipment and facilities. **Office** — Minneapolis, Minn. **Underwriter**—None.

● **Power Designs Inc.**
March 31, 1961 filed 500,000 shares of common stock (par 10 cents). **Price**—$2 per share. **Business**—The design, manufacture and sale of power supply equipment for the conversion of commercial AC power. **Proceeds**—To repay loans, for expansion and working capital. **Office**—1700 Shames Drive, Westbury, N. Y. **Underwriter**—Pistell, Crow, Inc., New York City.

Precisionware, Inc. (**5/25**)
March 30, 1961 filed 125,000 shares of common stock (par $1), of which 50,000 shares are to be offered for public sale by the company and 75,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—A contract manufacturer of kitchen cabinets and other types of wood cabinets which the company sells to builders, contractors and distributors. **Proceeds**—For new equipment, plant expansion and working capital. **Office** — 78 Livingston St., Brooklyn, N. Y. **Underwriter**—Hayden, Stone & Co., New York City (managing).

Products Research Co. (**5/29-6/2**)
March 27, 1961 filed 283,200 shares of common stock (par $2), of which 120,000 shares are to be offered for public sale by the company and 163,200 outstanding shares by the present holders thereof. **Price** — To be supplied by amendment. **Business**—The development, manufacture and sale of synthetic rubber caulking compounds, protective coatings, encapsulation materials and glass skylights. **Proceeds**—For the selling stockholders. **Office**—2919 Empire Ave., Burbank, Calif. **Underwriter**—Schwabacher & Co., San Francisco, Calif. (managing).

● **Puerto Rican Airlines, Inc.**
Feb. 6, 1961 (letter of notification) 100,000 shares of class A common stock (par 10 cents). **Price** — $3 per share. **Proceeds** — For accounts payable, to purchase equipment and for general corporate purposes. **Office**—c/o F. J. Perez-Almiroty, 1764 Ponce de Leon Ave., San Juan, Puerto Rico. **Underwriter**—Investment Securities Co. of Maryland, Inc., Baltimore, Md. **Note**—This letter has been withdrawn.

★ **Q-Line Instrument Corp.**
May 8, 1961 (letter of notification) 65,000 shares of common stock (par one cent). **Price**—$4 per share. **Business**—The manufacturers of technical equipment. **Proceeds**—For relocation of business; new equipment; expansion, and working capital. **Office** — 1562-61st St., Brooklyn, N. Y. **Underwriter**—William, David & Motti, Inc., New York, N. Y.

RMS Electronics, Inc.
April 12, 1961 (letter of notification) 100,000 shares of common stock (par 25 cents). **Price**—$3 per share. **Business**—The manufacture of television and FM radio antennae. **Proceeds**—For general corporate purposes. **Address**—2016 Bronxdale Ave., Bronx, N. Y. **Underwriter**—Martinelli & Co., New York, N. Y.

● **Ram Electronics, Inc.** (**5/31**)
Dec. 28, 1960 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—Manufacturers of electronic and replacement parts for television receivers and other electrical circuits. **Proceeds**—For general corporate purposes. **Office**—600 Industrial Ave., Paramus, N. J. **Underwriter**—General Securities Co., Inc., 101 West 57th St., New York City.

● **Real Estate Investment Trust of America** (**6/15**)
March 31, 1961 filed 500,000 shares of beneficial interest in the Trust. **Price**—To be supplied by amendment. **Business**—The Trust which was organized in 1955 to acquire the assets of three Massachusetts business trusts now holds real estate properties in 12 states and the District of Columbia. **Proceeds** — For investment. **Office** — 294 Washington St., Boston, Mass. **Underwriters** — Paine, Webber, Jackson & Curtis; Kidder, Peabody & Co., and Lee Higginson Corp., all of New York City.

Recco, Inc.
April 17, 1961 (letter of notification)) 60,000 shares of class A common stock (par one cent). **Price**—$5 per share. **Proceeds**—To open a new licensed department in 1961. **Office**—1211 Walnut St., Kansas City, Mo. **Underwriter**—Midland Securities Co., Kansas City, Mo.

Recreation Enterprises, Inc. (**6/7**)
March 16, 1961 filed 110,000 units of common stock and warrants, each unit to consist of one share of class A common and two common stock purchase warrants for the purchase of class A common (one exercisable at $5.50 per share for 18 months and the other at $6 per share within 36 months). **Price**—$5 per unit. **Business**—The company plans to operate a chain of bowling alleys in the midwestern states, initially in Missouri and Kansas. **Proceeds**—For the building of bowling centers. **Office**—6000 Independence Ave., Kansas City, Mo. **Underwriter**—I. M. Simon & Co., St. Louis, Mo.

● **Reher Simmons Research Inc.**
May 8, 1961 filed 150,000 shares of capital stock. **Price**—$6 per share. **Business**—The research and development of processes in the field of surface and biochemistry. **Proceeds**—For plant construction, equipment, research and development, sales promotion and working capital. **Office**—545 Broad St., Bridgeport, Conn. **Underwriter**—McLaughlin, Kaufmann & Co., New York City (managing).

● **Renaire Foods, Inc.** (**5/29**)
March 30, 1961 filed $600,000 of debentures, 6½% convertible series due 1976, to be offered for public sale by the company and 125,000 shares of common stock, (par $1) of which 100,000 shares are to be offered for sale by the company and 25,000 outstanding shares by the present holders thereof. **Price**—At 100% of principal amount, for the debentures and $6 per share for the stock. **Business**—The retail distribution of food freezers, frozen foods, groceries, vitamins, proprietary medicines and sundries, principally in the Philadelphia and Baltimore trading areas. **Proceeds**—For construction, the purchase of installment contracts resulting from the sales of food and freezers, and for working capital. **Office**—770 Baltimore Pike, Springfield, Pa. **Underwriter**—P. W. Brooks & Co., Inc., New York City.

Rocket Jet Engineering Corp. (**5/22**)
March 20, 1961 filed 110,000 outstanding shares of common stock (par 75 cents). **Price**—To be supplied by amendment. **Business** — The design, development and manufacture of escape and survival equipment used in military aircraft. **Proceeds**—For the selling stockholders.

Continued on page 42

Continued from page 41

Office—1426 South Flower Street, Glendale, Calif. **Underwriters**—Thomas Jay, Winston & Co., Inc., Beverly Hills, Calif., and Maltz, Greenwald & Co., New York City. The latter firm will handle the books in the East.

Rockower Brothers, Inc.
May 1, 1961 filed 140,000 outstanding shares of common stock (par 30 cents) to be offered for public sale by the present holders thereof. **Price** — To be supplied by amendment. **Business**—The retail sale of men's and boys' clothing. **Proceeds**—For the selling stockholders. **Office**—160 West Lehigh Avenue, Philadelphia. **Underwriter**—Drexel & Co., Philadelphia.

Ruth Outdoor Advertising Co., Inc. (5/31)
March 10, 1961 (letter of notification) 80,000 shares of class A stock (par 10 cents). **Price**—$3 per share. **Business**—Outdoor advertising. **Proceeds**—For general corporate purposes. **Address** — R. D. No. 2, Albany, N. Y. **Underwriter**—Lewis & Stoehr, New York, N. Y.

St. Louis Capital, Inc.
April 11, 1961 filed 750,000 shares of common stock (par $1). **Price**—$10 per share. **Business**—A new small business investment company. **Proceeds** — For investment. **Office**—611 Olive St., St. Louis, Mo. **Underwriters**—Hornblower & Weeks, New York City and I. M. Simon & Co., St. Louis (co-managers). **Offering**—Expected in early June.

Schaper Manufacturing Co., Inc. (5/22-26)
March 29, 1961 filed 80,600 shares of common stock (par $4), of which 15,000 shares are to be offered for public sale by the company and 65,600 outstanding shares by the present holder thereof. **Price**—$10 per share. **Business**—The design, assembly, manufacture and sale of a variety of plastic toys and games. **Proceeds**—For working capital. **Office**—650 Ottawa Ave., North, Minneapolis, Minn. **Underwriter** — Paine, Webber, Jackson & Curtis, New York City (managing).

Schneider (Walter J.) Corp.
March 30, 1961 filed 120,000 shares of class A common (par 10 cents). **Price**—$5 per share. **Business**—Organized on March 24, 1961, the company plans to engage in the real estate business and allied activities. **Proceeds**—For general corporate purposes. **Office**—67 West 44th Street, New York City. **Underwriters**—Brand, Grumet & Seigel, Inc., and Kesselman & Co., Inc., both of New York City. **Offering**—Expected in late May.

● **Science Capital Corp.**
May 9, 1961 filed 450,000 shares of common stock. **Price**—$8 per share. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—Juniper & Walnut Sts., Philadelphia, Pa. **Underwriters**—Blair & Co., Inc., New York City; Stroud & Co., Inc., and Woodcock, Moyer, Fricke & French, Philadelphia, Pa.

Scope, Inc.
March 28, 1961 filed 75,000 shares of common stock. **Price** — To be supplied by amendment. **Business** — The research and development of projects for agencies of the U. S. Government. **Proceeds**—For the repayment of debt, production and marketing of new products, and for working capital. **Office**—121 Fairfax Drive, Falls Church, Va. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C. **Offering**—Expected in early June.

● **Scot Lad Foods, Inc. (5/23)**
March 28, 1961 filed 250,000 shares of common stock. **Price** — To be supplied by amendment. **Business** — The packaging of food products for supermarkets. **Proceeds**—The net proceeds, estimated at $2,185,000, will be applied to outstanding indebtedness, with the balance to be added to working capital. **Office**—Chicago, Ill. **Underwriter**—Hayden, Stone & Co., New York City (managing).

Seaboard Electronic Corp.
April 26, 1961 filed 100,000 outstanding shares of common stock to be offered for public sale by the present holders thereof. **Price**—$5.50 per share. **Business**—The manufacture of warning signals, control boxes, intervalometers and related equipment for aircraft and missile application. **Proceeds**—For the selling stockholders. **Office**—417 Canal Street, New York City. **Underwriter**—Amos Treat & Co., Inc., New York City (managing).

● **Search Investments Corp. (6/12)**
Jan. 4, 1961 filed 1,000,000 shares of common stock. **Price**—$1 per share. **Business**—A non-diversified closed-end investment company. **Proceeds** — For working capital and for investments. **Office**—1620 Rand Tower, Minneapolis, Minn. **Underwriter**—None.

Securities Credit Corp.
Jan. 27, 1961 filed $3,000,000 of 6% series A subordinated debentures. **Price** — 100% of principal amount. **Business**—The company and its subsidiaries are engaged in the retail financing of new and used automobiles, mobile homes, appliances, furniture and farm equipment for purchasers, and the wholesale financing of dealers' inventories of such automobiles and direct lending to consumers, and the writing of automobile, credit life, and other types of insurance. **Proceeds**—For working capital. **Office**—1100 Bannock Street, Denver, Colo. **Underwriter**—None.

Security Acceptance Corp.
March 7, 1961 filed 100,000 shares of class A common stock and $400,000 of 7½% 10-year debenture bonds, to be offered in units consisting of $100 of debentures and 25 shares of stock. **Price**—$200 per unit. **Business**—The purchase of conditional sales contracts on home appliances. **Proceeds** — For working capital and expansion. **Office**—724 9th St., N. W., Washington, D. C. **Underwriter**—None.

Servonic Instruments, Inc.
April 26, 1961 filed 95,000 shares of no par common stock, of which 50,000 shares are to be offered for public sale by the company and 45,000 shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The research, design, development, manufacture and sale of precision devices consisting primarily of electromechanical transducers, for a variety of military, industrial and scientific uses. **Proceeds**—For new equipment, plant expansion and working capital. **Office**—1644 Whittier, Calif. **Underwriter** — C. E. Unterberg, Towbin Co., New York City.

Shasta Minerals & Chemical Co.
April 24, 1961 filed 500,000 shares of common stock. **Price**—$2.50 per share. **Business**—Acquisition, development, and exploration of mining properties. **Proceeds**—For general corporate purposes. **Office** — 1406 Walker Bank Bldg., Salt Lake City, Utah. **Underwriter**—None.

Shepard Airtronics, Inc.
April 26, 1961 (letter of notification) 75,000 shares of common stock (par one cent). **Price** — $4 per share. **Business**—The manufacture of high altitude breathing and ventilation equipment. **Proceeds**—For repayment of loans; new equipment, research and development, plant improvement, purchase of inventory, advertising and working capital. **Office** — 787 Bruckner Boulevard, Bronx, N. Y. **Underwriter**—L. C. Wegard & Co., Levittown, N. J.

Sherman Co.
March 29, 1961 filed 1,096 of limited partnership shares. **Price** — $5,000 per unit. **Business** — The company was formed on March 15, 1961 to acquire the Hotel Sherman in Chicago. **Proceeds**—To purchase the above property. **Office**—10 E. 40th Street, New York City. **Underwriter**—None.

● **Sica Skiffs, Inc. (5/31)**
April 19, 1961 filed 100,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of "sea skiffs" a type of inboard motor boat. **Proceeds**—For the repayment of debt, the development of retail outlets, property improvement, and working capital. **Office**—Toms River, N. J. **Underwriter**—Warner, Jennings, Mandel & Longstreth, Philadelphia (managing).

Sierra Pacific Power Co.
April 10, 1961 filed 132,570 shares of common stock (par $3.75) being offered for subscription by common stockholders on the basis of one new share for each 12 shares held of record May 2, with rights to expire May 22. **Price**—$29 per share. **Proceeds**—For the repayment of bank loans and for construction. **Office**—220 South Virginia Street, Reno, Nev. **Underwriter**—None.

Solar Systems, Inc.
April 20, 1961 (letter of notification) 125,000 shares of common stock (par 10 cents). **Price**—$2 per share. **Proceeds**—To repay short term notes, for additional inventory, advertising, and working capital. **Office**—11936 Valerio Street, North Hollywood, Calif. **Underwriters**—Darius, Inc., New York, N. Y. and N. A. Hart & Co., Bayside, N. Y.

● **Sony Corp.**
April 28, 1961 filed 2,000,000 shares of common stock (par 50 yen). The underwriters will deliver to purchasers, ADR's evidencing American Depositary Shares (each representing 10 shares of Sony common). **Price**—To be supplied by amendment. **Business**—The manufacture and sale of transistorized radio and television receivers, magnetic tape recorders and other electronic equipment. **Proceeds** — For expansion. **Office** — Tokyo, Japan. **Underwriters**—Smith, Barney & Co., and The Nomura Securities Co., Ltd., both of New York City. **Offering**—Expected in late June.

Sony Corp.
May 3, 1961 filed 798,200 shares of common stock (par 50 yen) to be offered for subscription by common stockholders resident in the U. S., on the basis of one new share for each share held of record March 1. **Price**—At par (about 14 cents). **Business** — The manufacture and sale of transistorized radio and television receivers, magnetic tape recorders and other electronic equipment. **Proceeds**—For expansion. **Office**—Tokyo, Japan. **Underwriter**—None.

Southern Electric Generating Co. (6/15)
May 8, 1961 filed $20,000,000 of first mortgage bonds due June 1, 1992. **Proceeds**—For construction. **Office**—600 North 18th Street, Birmingham, Ala. **Underwriters**—To be determined by competitive bidding. Previous bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc. and Blyth & Co., Inc. (jointly); Morgan Stanley & Co.; White, Weld & Co., and Kidder, Peabody & Co. (jointly); Eastman Dillon, Union Securities & Co.; Equitable Securities Corp., and Drexel & Co., (jointly); First Boston Corp. **Bids**—To be received June 15 at 11 a.m. (DST) in Room 1600, 250 Park Avenue, New York City. **Information Meeting**—Scheduled for June 12 at 3 p.m., (DST) on 5th floor of 55 Wall Street, New York City.

Southland Life Insurance Co. (6/5-9)
March 28, 1961 filed 80,000 shares of common stock, to be offered to holders of the outstanding common on the basis of one new share for each five shares held. **Price**—To be supplied by amendment. **Proceeds**—To purchase the 55% of the outstanding common stock of Carolina Life Insurance Co. not heretofore owned by the issuer. **Office**—Dallas, Texas. **Underwriter**—Equitable Securities Corp., Nashville, Tenn. (managing).

★ **Special Metals, Inc.**
May 16, 1961 filed $2,656,250 principal amount of 6% subordinated debentures due July 1, 1976 and 159,375 shares of common stock (par $2) to be offered for public sale in units of $50 of debentures and three common shares. **Price**—To be supplied by amendment. **Business**—The company has contracted to buy the Metals Division of Kelsey-Hayes Co., and will produce special high temperature metal alloys by vacuum melting for use in jet aircraft engines. **Proceeds**—To repay a bank loan. **Office** — New Hartford, N. Y. **Underwriters** — White, Weld & Co., Inc., and Lehman Brothers, both of New York City (managing).

★ **Spencer Laboratories, Inc.**
May 1, 1961 (letter of notification) 1,624 shares of class A common stock (no par) to be offered for subscription by stockholders on the basis of four shares for each five shares held, with the unsubscribed shares to be sold to the public. **Price**—To stockholders, $100 per share; to the public, $110 per share. **Business**—Manufacturers of Pharmaceuticals. **Proceeds** — For testing new products, inventories; marketing and general corporate purposes. **Office**—10 Pine St., Morristown, N. J. **Underwriter**—E. T. Andrews & Co., Hartford, Conn.

Standard Brands Paint Co.
May 2, 1961 filed 265,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—The manufacture and direct retail sale of paints, enamels, varnishes and allied products in the Southern California area. **Proceeds**—For the repayment of debt, the retirement of outstanding 8% debentures and for expansion. **Office** — 4300 W. 190th St., Torrance, Calif. **Underwriters**—Sutro Bros. & Co., and Allen & Co., both of New York City (managing). **Offering**—Expected in June.

Standard Security Life Insurance Co. of N. Y.
March 27, 1961 filed 162,000 shares of common stock to be offered for subscription by holders of common and class A stock on the basis of two new shares for each five shares held. **Price** — To be supplied by amendment. **Business**—The writing of life, accident and health insurance. **Proceeds**—For general corporate purposes. **Office**—111 Fifth Avenue, New York City. **Underwriter**—None.

● **Stocker & Yale, Inc.**
March 30, 1961 (letter of notification) 100,000 shares of no-par common stock. **Price**—$3 per share. **Business**—Manufacturers of precision dimensional measuring devices and developers of optical and audio-visual equipment. **Proceeds**—New product development, expansion of marketing program, and working capital. **Office** — 40 Green St., Marblehead, Mass. **Underwriter** — First Weber Securities Corp., 79 Wall Street, New York City.

● **Stratton Corp. (6/5-9)**
March 3, 1961 filed $650,000 of 5% convertible subordinated debentures, due Dec. 1, 1981. **Price**—At 100% of principal amount. **Business**—The development and operation of a winter and summer recreational resort on Stratton Mountain in southern Vermont. **Proceeds**—For construction. **Office**—South Londonderry, Vt. **Underwriter**—Cooley & Co., Hartford, Conn.

Straus-Duparquet Inc.
Sept. 28, 1960 filed $1,000,000 of 7% convertible subordinated debentures, due 1975. **Price**—At par. **Office**—New York City. **Underwriters**—John R. Boland & Co., New York City and Paul C. Kimball & Co. (Chicago).

Sun Valley Associates
March 30, 1961 (letter of notification) $205,000 of limited partnership interests to be offered in units of $5,000, or fractional units of not less than $2,500. **Proceeds**—For working capital. **Address** — Harlingen, Texas. **Underwriter**—First Realty Syndicators, 11 E. 44th Street, New York, N. Y.

Sunnyside Telephone Co.
April 13, 1961 (letter of notification) 87,664 shares of common stock (par $1). **Price**—$1.50 per share. **Proceeds**—For a new building and equipment. **Address**—Clackamas, Oreg. **Underwriter**—June S. Jones Co., Portland, Oreg.

Super Food Services, Inc.
April 14, 1961 filed 60,000 shares of common stock (par one cent), of which 30,000 shares are to be offered for public sale by the company and 30,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The company and its subsidiaries distribute food products to about 643 independently owned IGA retail grocery stores in Ohio, Florida, New York, New Jersey and Michigan. **Proceeds**—For working capital. **Office**—105 South LaSalle St., Chicago, Ill. **Underwriter** — Shearson, Hammill & Co., New York City (managing). **Offering**—Expected in late May.

★ **Supermarkets Operating Co.**
May 10, 1961 filed 125,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The operation of a chain of "Shop-Rite" supermarkets and the production and marketing of "Huber's Sunbeam" bakery products. **Proceeds** — For working capital, and general corporate purposes. **Office**—1416 Morris Ave., Union, N. J. **Underwriters**—Robert Garrett & Sons, Baltimore, Md., and G. H. Walker & Co., New York City.

● **Superstition Mountain Enterprises, Inc. (7/10-14)**
Jan. 30, 1961 filed 2,000,000 shares of common stock. **Price** — $2.50 per share. **Business** — The company was formed in March, 1959 to develop real property at the foot of Superstition Mountain near Apache Junction, Ariz. It has developed part of the property to form the Apacheland Sound Stage and Western Street, architecturally designed for the 1870 period, which is used for the shooting of the motion picture and television productions. **Proceeds**—To purchase and develop additional property. **Office**—Apache Junction, Ariz. **Underwriter**—None.

Suval Industries Inc.
April 27, 1961 filed 125,000 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 25,000 outstanding shares by the present holders thereof. **Price**—$4 per share. **Business**—The manufacture of supported vinyl plastic sheeting for

the automobile, furniture and clothing industries. **Proceeds**—For additional equipment, product expansion and working capital. **Office**—Cantiagua Road, Westbury, N. Y. **Underwriters** — Milton D. Blauner & Co., and Brukenfeld & Co., both of New York City. **Offering**—Expected about mid-June.

Taddeo Bowling & Leasing Corp.
March 31, 1961 filed $600,000 of 8% convertible subordinated debentures due 1971, 125,000 shares of common stock and 50,000 class A warrants to purchase common stock to be offered for public sale in units consisting of $240 of debentures, 50 common shares and 20 warrants. **Price** — $640 per unit. **Business** — The construction of bowling centers. **Proceeds**—For construction and working capital. **Office**—873 Merchants Road, Rochester, N. Y. **Underwriter** — Myron A. Lomasney & Co., New York City (managing). **Offering**—Expected in June.

Taffet Electronics, Inc. (6/30)
April 28, 1961 filed 132,000 shares of common stock. **Price** — $3 per share. **Business** — The manufacture of electronic equipment, principally electronic test equipment, partial electronic systems and assemblies, and the fabrication of electronic components, for use primarily in the communications field. **Proceeds**—For additional equipment, capital improvements and working capital. **Office**—27-01 Brooklyn Queens Expressway, Woodside, N. Y. **Underwriters**—Fialkov & Co., Inc. (managing); Stanley Heller & Co., Amos Treat & Co., Inc., all of New York City.

• Tassette, Inc. (5/31)
Feb. 15, 1961 filed 200,000 shares of class A stock. **Price** —$12 per share. **Business**—The company was organized under Delaware law in 1959 to finance the exploitation and sale of "Tassette," a patented feminine hygiene aid. **Proceeds**—For advertising and promotion, market development, medical research and administrative expenses. **Office**—170 Atlantic St., Stamford, Conn.. **Underwriter**—Amos Treat & Co., Inc., New York City (managing); Bruno-Lenchner, Inc., Pittsburgh; and Karen Securities Corp., New York City.

Tax-Exempt Public Bond Trust Fund
Jan. 16, 1961 filed $5,000,000 of interests (5,000 units). **Price**—To be computed on the basis of the trustees evaluation of the underlying public bonds, plus a stated percentage (to be supplied by amendment) and dividing the sum thereof by 5,000. **Business** — The trust was formed by John Nuveen & Co., Chicago, Ill., to invest in tax-exempt obligations of states, counties, municipalities and territories of the United States. **Sponsor** — John Nuveen & Co., 135 South La Salle Street, Chicago, Ill.

Tax-Exempt Public Bond Trust Fund, Series 2
Feb. 23, 1961 filed $10,000,000 (10,000 units) ownership certificates. **Price**—To be filed by amendment. **Business** —The fund will invest in interest bearing obligations of states, counties, municipalities and territories of the U. S., and political subdivisions thereof which are believed to be exempted from Federal income taxes. **Proceeds** — For investment. **Office** — 135 South La Salle Street, Chicago, Ill. **Sponsor**—John Nuveen & Co., Chicago, Ill.

• Templeton, Damroth Corp. (5/31)
March 30, 1961 filed $1,500,000 of 5½% convertible debentures, due 1969, with 120,000 shares of class A common stock (non-voting) and 12,000 shares of class B common (voting) stock, into which the debentures are convertible. Of the $1,500,000 of debentures, $1,260,000 are presently outstanding. **Price**—100% of the principal amount. **Business** — The management and distribution of shares of four investment companies, and also private investment counselling. **Proceeds**—To increase the sales efforts of subsidiaries, to establish a new finance company, and for general corporate purposes. **Office**—630 Third Avenue, New York City. **Underwriter**—Hecker & Co., Philadelphia is underwriting $445,000 of the debentures.

★ Tennessee Investors Inc.
May 16, 1961 filed 500,000 shares of common stock to be publicly offered, and 4,206 common shares to be offered to holders of the outstanding common on the basis of one new share for each nine shares held. **Prices**—$12.50 per share for the public offering and $11.40 per share for the rights offering. **Proceeds**—To finance the company's activities of providing equity capital and long term loans to small business concerns. **Office**—Nashville, Tenn. **Underwriter**—Paine, Webber, Jackson & Curtis, New York City (managing).

Terry Industries, Inc.
Feb. 28, 1961 filed 1,728,337 shares of common stock of which 557,333 shares are to be offered for the account of the issuing company and 1,171,004 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. **Price**—For the company's shares, to be related to A.S.E. prices at time of the offering. For the stockholders' shares, the price will be supplied by amendment. **Business** — The company, formerly Sentry Corp., is primarily a general contractor for heavy construction projects. **Proceeds**—The proceeds of the first 12,000 shares will go to Netherlands Trading Co. The balance of the proceeds will be used to pay past due legal and accounting bills, to reduce current indebtedness, and for working capital. **Office**—11-11 34th Ave., Long Island City, L. I., N. Y. **Underwriter** — (For the company's shares only) Greenfield & Co., Inc., New York City.

• Therm-Air Mfg. Co., Inc.
April 11, 1961 (letter of notification) 60,000 shares of common stock (par 10 cents). **Price**—$5 per share. **Business**—Manufacturers of self-contained packaged temperature and humidity control equipment. **Proceeds**—For general corporate purposes. **Address** — Peekskill, N. Y. **Underwriter** — Harry Odzer Co., New York, N. Y. **Offering**—Imminent.

Thor Power Tool Co.
April 19, 1961 filed $4,000,000 of subordinated convertible debentures due June 1, 1981. **Price**—To be supplied by amendment. **Business**—The manufacture of portable tools and other industrial products. **Proceeds**—To retire short-term bank loans. **Office** — 175 North State St., Aurora, Ill. **Underwriter**—Hornblower & Weeks, New York City (managing). **Offering**—Expected in mid-June.

• Toledo Plaza Limited Partnership (5/29)
April 7, 1961 filed $522,500 of interests in the partnership to be offered for public sale in 209 units. **Price**—$2,500 per unit. **Business**—The partnership was organized under Maryland law in April 1961 to acquire, develop and operate the Toledo Plaza apartment project in Prince George County, Md., scheduled for occupancy in May, 1961. **Proceeds**—For the purchase of the above property. **Office**—1411 K St., N. W., Washington, D. C. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

Trans World Airlines, Inc.
March 30, 1961 filed $111,235,900 of 6½% subordinated income debentures, due 1978, with warrants, to be offered for subscription by stockholders on the basis of $100 principal amount of debentures for each 6 common shares held. **Price**—To be supplied by amendment. **Proceeds** — For repayment of debt and general corporate purposes. **Office** — 380 Madison Ave., New York City. **Underwriter**—None. Hughes Tool Co., which owns voting trust certificates representing 78.23% of the company's outstanding stock, has agreed to purchase enough of the unsubscribed for debentures, if any, to provide the company with at least $100,000,000. **Offering**—Expected in late May.

Transcontinental Investment Co.
March 15, 1961 (letter of notification) 120,000 shares of common stock (par $1). **Price**—$2.50 per share. **Proceeds**—For advances to subsidiaries. **Office**—278 S. Main Street, Salt Lake City, Utah. **Underwriter**—Continental Securities Corp., 627 Continental Bank Building, Salt Lake City, Utah.

• Triangle Instrument Co. (6/13)
March 30, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—$3 per share. **Business** — The manufacture of precision instruments and components. **Proceeds**—For equipment, inventory, the repayment of debt, and working capital. **Office**—Oak Drive and Cedar Place, Syosset, L. I., N. Y. **Underwriter** —Armstrong & Co., Inc., New York City.

Tungsten Mountain Mining Co.
April 7, 1961 (letter of notification) 400,000 shares of common stock (par 25 cents). **Price** — 62½ cents per share. **Proceeds**—For mining expenses. **Office**—511 Securities Bldg., Seattle, Wash. **Underwriter**—H. P. Pratt & Co., Inc., Seattle, Wash.

★ Turbodyne Corp.
May 10, 1961 filed 200,000 shares of common stock. **Price** —$2 per share. **Business** — The research, development, manufacturing and marketing of space and rocket engines, and related activities. **Proceeds**—For research and development, and working capital. **Office**—1346 Connecticut Ave., N. W., Washington, D. C. **Underwriter**—T. J. McDonald & Co., Washington, D. C.

Union Tank Car Co.
April 28, 1961 filed $40,000,000 of sinking fund debentures due Aug. 1, 1986. **Business**—The furnishing of railway tanks cars to shippers of petroleum products and other liquids. **Proceeds**—For the retirement of a bank loan. **Office**—228 N. La Salle Street, Chicago, Ill. **Underwriters**—Smith, Barney & Co. Inc., and Blunt Ellis & Simmons, Chicago (managing). **Offering**—Expected in late May.

U. S. Fiberglass Products Co.
April 27, 1961 filed 200,000 shares of common stock. **Price**—$2 per share. **Business**—The company plans to manufacture fiberglass shingles, beams, purlin and other materials. **Proceeds** — For working capital, inventory and equipment, and sales promotion. **Office** — Clarkville, Texas. **Underwriter**—Hauser, Murdock, Rippey & Co., Dallas, Texas.

★ U. S. Home & Development Corp.
May 11, 1961 filed 300,000 shares of class A capital stock. **Price**—To be supplied by amendment. **Business** — The planning, development and marketing of single-family-home communities in New Jersey. **Proceeds**—For the repayment of loans, purchase of land and development of properties. **Office** — 52 Neil Ave., Lakewood, N. J. **Underwriter**—Auchincloss, Parker & Redpath, Washington, D. C., and New York City.

• U. S. Mfg. & Galvanizing Corp. (6/6)
Jan. 3, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Proceeds** — To reduce current liabilities, sales promotion, purchase inventory, and for working capital. **Office**—5165 E. 11th Avenue, Hialeah, Fla. **Underwriter**—Armstrong & Co., Inc., 15 William St., New York, N. Y.

U. S. Realty Investment Trust (5/29)
March 30, 1961 filed 386,975 shares of beneficial interest in the Trust. **Price**—$10 per share. **Business**—The ownership of diversified real estate properties. **Proceeds**—For investment. **Office**—720 Euclid Ave., Cleveland, O. **Underwriter** — Hornblower & Weeks, New York City (managing).

United Variable Annuities Fund, Inc.
April 11, 1961 filed 2,500,000 shares of stock. **Price**—$10 per share. **Business**—A new mutual fund. **Proceeds**—For investment. **Office**—20 W. 9th Street, Kansas City, Mo. **Underwriter**—Waddell & Reed, Inc., Kansas City, Mo. **Offering**—Expected in the fall of 1961.

• Universal Manufacturing Co. (6/15)
Feb. 23, 1961 (letter of notification) 135,000 shares of common stock (par 10 cents) of which 35,000 shares are to be offered for the account of the company and 100,000 outstanding shares, stock, by the selling stockholders. **Price** — $2 per share. **Proceeds** — For working capital. **Office**—516 W. 4th Street, Winona, Minn. **Underwriter**—Naftalin & Co., Inc., Minneapolis, Minn.

Vahlsing, Inc.
April 24, 1961 filed 300,000 shares of common stock. **Price** — To be supplied by amendment. **Business** — The company plans to acquire the business of F. H. Vahlsing, Inc., a Maine grower and shipper of potatoes and to operate a plant now being constructed for the processing of potatoes. **Proceeds**—For the repayment of debt and working capital. **Office** — Easton, Maine. **Underwriter**—Pistell, Crow, Inc., New York City (managing).

• Varian Associates
May 1, 1961 filed 347,883 shares of capital stock to be offered for subscription by shareholders on the basis of one new share for each 10 shares held. **Price**—To be supplied by amendment. **Business**—The design, manufacture and sale of microwave tubes, and electronic components and systems for military, commercial and industrial use. **Proceeds**—For a new plant, equipment, the repayment of bank loans and for working capital. **Office** —611 Hansen Way, Palo Alto, Calif. **Underwriter**—Dean Witter & Co., San Francisco (managing). **Offering**—Expected in June.

Varicraft Industries, Inc.
May 4, 1961 refiled 120,000 shares of common stock (par 5¢), of which 100,000 shares are to be offered for the account of the issuing company and 20,000 shares, representing outstanding stock, are to be offered for the account of the underwriter as selling stockholder. **Price**—To be supplied by amendment. **Proceeds** — To reduce outstanding indebtedness, for expansion, and for general corporate purposes. **Office**—45th and Crescent Blvd., Pennsauken, N. J. **Underwriter**—Peter Herbert Co., Inc., 150 Broadway, New York City.

Vector Engineering, Inc. (5/29)
March 3, 1961 (letter of notification) 50,000 shares of common stock (par 10 cents). **Price**—$6 per share. **Business** — Provides engineering and design services. **Proceeds** — For general corporate purposes. **Office** — 155 Washington Street, Newark, N. J. **Underwriter**—Omega Securities Corp., New York, N. Y.

★ Verlant Automonitor Corp.
May 8, 1961 (letter of notification) 90,000 shares of common stock (par one cent). **Price**—$2 per share. **Proceeds**—To repay a loan, purchase equipment; for plant expansion, and working capital. **Office** — 8525 Steller Dr., Culver City, Calif. **Underwriter**—D. E. Liederman & Co., Inc., New York, N. Y.

Versapak Film & Packaging Machinery Corp.
March 30, 1961 filed 150,000 shares of common stock and 150,000 five-year warrants, to be offered for public sale in units of one share of stock and one warrant. **Price**—$3.125 per unit. **Business**—The design, development and sale of versatile automatic equipment for packaging items in special heat-shrinkable film. **Proceeds**—To repay loans, for additional equipment and inventory; and for working capital. **Office**—928 Broadway, New York City. **Underwriters**—Hill, Thompson & Co. (managing); Hampstead Investing Corp., and Globus, Inc., all of New York City.

★ Vic Tanny Enterprises, Inc.
May 11, 1961 filed 320,000 shares of class A common stock (par 10 cents) of which 120,000 shares will be offered for the account of the company and 200,000 shares by the present holder thereof. **Price**—To be supplied by amendment. **Business**—The operation of a national chain of gymnasiums and health centers for men and women. **Proceeds**—The company will use its part of the proceeds for the opening of new gymnasiums and the promotion of home exercise equipment. **Office**—375 Park Ave., New York City. **Underwriter**—S. D. Fuller & Co., New York City. **Offering**—Expected in early July.

Virginia Chemicals & Smelting Co. (6/6)
April 18, 1961 filed 135,000 shares of common stock, of which 50,000 shares will be offered for the account of the company and 85,000 outstanding shares for the selling stockholders. **Price** — To be supplied by amendment. **Business**—The manufacture of industrial chemicals, refrigerants and aerosol insecticides. **Proceeds**—For expansion. **Office**—Norfolk, Va. **Underwriter**—White, Weld & Co., New York City (managing).

★ Virginia Electric & Power Co. (6/13)
May 12, 1961 filed $30,000,000 of first and refunding mortgage bonds, series Q, due June 1, 1991. **Proceeds**—For construction. **Office**—700 East Franklin St., Richmond, Va. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; Eastman Dillon, Union Securities & Co.; Salomon Brothers & Hutzler; Goldman, Sachs & Co. **Bids**—To be received on June 13, 1961 at 11 a.m. (DST) on the 23rd floor of One Chase Manhattan Plaza, New York City. **Information Meeting** —Scheduled for June 8 at 11 a.m. (DST) at the above address.

Waldorf Auto Leasing, Inc.
March 23, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Business**—The rental of automobiles. **Proceeds**—For purchase of automobiles, advertising and sales promotion, and working capital. **Office**—1712 E. 9th Street, Brooklyn 23, N. Y. **Underwriters**—Martinelli & Co., Inc.; First Atlantic Securities Co. and V. K. Osborne & Sons, Inc., all of New York City. **Offering**—Expected in late May.

Walter Sign Corp.
March 30, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—$3 per share. **Business** — The manufacture and installation of highway signs. **Proceeds**—For the reduction of debt, sales promo-

Continued on page 44

Continued from page 43

tion, inventory and reserves. **Office**—4700 76th St., Elmhurst, L. I., N. Y. **Underwriter**—Amber, Burstein & Co., 40 Exchange Place, New York 5, N. Y.

• Waltham Watch Co. (5/31)
March 9, 1961 refiled 100,000 shares of common stock (par $2.50) and $600,000 of 16-year convertible bonds (convertible into common at $6 per share), to be sold initially to stockholders in units of 25 shares of stock and $150 of debentures. **Price**—For the stock: about $8 per share; for the debentures: at par. **Business** — The importing, assembling, manufacturing and selling of watches and jewelry. **Proceeds** — For working capital. **Office**—231 South Jefferson St., Chicago, Ill. **Underwriter**—P. J. Gruber & Co., Inc., (managing); Underhill Securities Corp., and Peter Herbert & Co., Inc., all of New York City.

Warner Brothers Co. (5/31)
March 29, 1961 filed 200,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of women's foundation garments, men's and women's shirts, sleepwear and paperboard packaging. **Proceeds**—To repay loans incurred for recent acquisitions. **Office**—325 Lafayette St., Bridgeport, Conn. **Underwriter**—Lehman Brothers, New York City (managing).

Washington Natural Gas Co.
March 30, 1961 filed 118,384 shares of common stock and warrants to purchase 3,500 shares. The company is offering 114,884 shares for subscription by common stockholders on the basis of one new share for each 10 shares held of record May 1, with rights to expire May 22. **Price**—$29 per share. **Business**—The distribution of natural gas at retail in the Puget Sound area of Washington state. **Proceeds**—For the repayment of bank loans and for construction. **Office**—1507 Fourth Ave., Seattle, Wash. **Underwriters**—Dean Witter & Co., San Francisco; Blyth & Co., Inc., and Merrill Lynch, Pierce, Fenner & Smith Inc., both of New York City.

Watsco, Inc.
April 13, 1961 filed 155,000 shares of common stock, of which 135,000 shares are to be offered for public sale by the company and 20,000 outstanding shares by the present stockholder. **Price**—To be supplied by amendment. **Business**—The manufacture of valves, strainers and other products for the refrigeration and air conditioning industry. **Proceeds**—For construction; new equipment; advertising; salaries; the repayment of debt, and working capital. **Office**—1020 E. 15th St., Hialeah, Fla. **Underwriter**—Aetna Securities Corp., New York City (managing).

• Wayne-George Corp.
March 22, 1961 filed 80,000 shares of common stock (no par), of which 60,000 shares are to be offered for public sale by the company and 20,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business** — The design, development and manufacture of digital transducers. **Proceeds**—For repayment of debt, new equipment, research and development, and working capital. **Office**—588 Commonwealth Ave., Boston, Mass. **Underwriter**—Hayden, Stone & Co., New York City. **Offering**—Imminent.

• Webster Publishing Co., Inc. (5/24)
March 13, 1961 filed 131,960 shares of common stock, of which 80,000 shares are to be offered for public sale by the company and 51,960 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—Publishes textbooks for elementary and high school students. **Proceeds** — To develop program materials designed for use in teaching machines and in other formats, and for working capital. **Office**—1154 Reco Ave., St. Louis, Mo. **Underwriter**—Newhard, Cook & Co., St. Louis (managing).

★ Wei-It Expansion Products, Inc.
May 4, 1961 (letter of notification) 300,000 shares of common stock (par 10 cents). **Price**—$1 per share. **Proceeds**—For plant and facilities, moving equipment, inventory, working capital and repayment of a loan. **Office**—4 S. Santa Fe Dr., Denver, Colo. **Underwriter**—Amos C. Sudler & Co., Denver, Colo.

★ Westbury Fashions, Inc.
May 10, 1961 filed 120,000 shares of common stock, of which 68,000 shares are to be offered for public sale by the company and 52,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business** — The design, manufacture and sale of casual dresses for girls and women. **Proceeds**—For expansion, the repayment of loans, equipment, and working capital. **Office** — 1400 Broadway, New York City. **Underwriter** — McDonnell & Co., Inc., New York City (managing).

• Western Growth Corp. (5/29)
March 17, 1961 filed 202,107 shares of class A common stock (par 10 cents), of which 150,000 shares are to be offered for public sale by the company in units of 10 shares each; and 52,107 outstanding shares by selling stockholders after trading commences. **Price**—For the company's stock: $100 per unit. For the selling stockholder: At-the-Market. **Business**—The development of property in California for single-family homes, the investment in notes or contracts secured by single-family homes, and other phases of the real estate business. **Proceeds**—For ordinary expenses, repayment of loans and working capital. **Office**—636 North La Brea Ave., Los Angeles, Calif. **Underwriter**—Reese, Scheftel & Co., Inc., New York City.

Western Land Trust Fund
March 30, 1961 filed 200,000 shares of beneficial interest in the Fund. **Price** — $10 per share. **Business** — A closed-end real estate investment trust. **Proceeds**—For investment. **Office**—1031 First Western Bldg., Oakland, Calif. **Underwriter**—To be named.

Willer Color Television System, Inc.
Jan. 29, 1961 (letter of notification) 80,890 shares of common stock (par $1). **Price**—$3 per share. **Proceeds**—For general corporate purposes. **Office**—151 Odell Avenue, Yonkers, N. Y. **Underwriter**—Equity Securities Co., 39 Broadway, New York City. **Offering**—Indefinite.

Williamhouse, Inc.
March 27, 1961 filed 106,000 shares of common stock. **Price** — $6 per share. **Business** — The manufacture and sale of paper products including envelopes, announcements and advertising materials. **Proceeds**—To repay debt and for working capital. **Office**—185 Kent Avenue, Brooklyn, N. Y. **Underwriter**—Robert L. Ferman & Co., Inc., Miami, Fla.

Wolf Corp.
Feb. 15, 1961 filed 30,000 shares of class A stock. **Price**—$10 per share. **Business**—The company was organized under Delaware law in January 1961 and proposes to engage in the construction, investment and operation of real estate properties. **Proceeds**—For investment and working capital. **Office** — 10 East 40th St., New York City. **Underwriter**—None.

Wonderbowl, Inc.
Feb. 6, 1961 (letter of notification) 150,000 shares of common stock. **Price**—At par ($2 per share). **Proceeds**—To discharge a contract payable, accounts payable, and notes payable and the balance for working capital. **Office**—7805 Sunset Blvd., Los Angeles, Calif. **Underwriter**—Standard Securities Corp., Los Angeles, Calif.

★ World Color Press, Inc.
May 16, 1961 filed 218,000 shares of common stock. **Price**—To be supplied by amendment. **Proceeds**—To selling stockholders. **Office** — St. Louis, Mo. **Underwriters**—Scherck, Richter Co., and Dempsey-Tegeler & Co., both of St. Louis, Mo. (managing).

Wrather Corp.
March 29, 1961 filed 350,000 shares of common stock (no par). **Price**—To be supplied by amendment. **Business**—The company manufactures and sells Stephens power and sail boats, and various marine and sporting goods manufactured by others. It also plans to acquire the stock of Muzak Corp., Wrather Hotels, Inc., Wrather Realty Corp., Stephens Marine, Inc., and various television film properties. **Proceeds** — For construction, repayment of debt and working capital. **Office** — 270 North Canon Drive., Beverly Hills, Calif. **Underwriter**—Lee Higginson Corp., New York City (managing). **Offering**—Expected in early June.

Youngwood Electronic Metals, Inc.
April 13, 1961 filed 75,000 shares of common stock. **Price**—$4 per share. **Business**—The design, development and manufacture of precision parts or stampings principally used in the semi-conductor industry. **Proceeds**—For the repayment of debt; inventory; research and development, and working capital. **Office**—204 North Fifth Street, Youngwood, Pa. **Underwriters** — Bruno-Lenchner, Inc., Pittsburgh and Amos Treat & Co., New York City. **Offering**—Expected in June.

Prospective Offerings

A. T. U. Productions, Inc.
March 15, 1961, it was reported that this company plans a "Reg. A" filing covering 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Proceeds**—To finance production of TV films. **Office** — 130 W. 57th Street, New York City. **Underwriter**—Marshall Co., 40 Exchange Place, New York City. **Registration**—Expected in May.

Acoustica Associates, Inc.
April 11, 1961, it was stated that this company is seeking to acquire other firms with compatible product lines and that equity financing may be needed to finance current expansion program. **Business** — The company manufactures ultrasonic cleaning systems for missile equipment, hospital surgical instruments and the metals industry. It also makes fluorescent lighting fixtures and a product for gauging the level of liquids. **Office**—First National Bldg., Birmingham, Ala. **Underwriter**—Lehman Brothers, New York City.

All American Airways Co.
May 1, 1961 it was reported that a "Reg. A" will be filed shortly covering 75,000 shares of common stock. **Price**—$4 per share. **Office**—Danbury, Conn. **Underwriter**—Edward Lewis Co. Inc., New York City (managing).

American Export Lines, Inc.
May 3, 1961 it was reported that this company plans to sell $18,400,000 of government insured merchant marine bonds due Sept. 1, 1985. **Business**—The company operates passenger and cargo vessels between New York City and the Great Lakes to the Mediterranean and Red Sea Ports, India and Burma. **Proceeds**—To cover 75% of the cost of four new vessels now under construction. **Office**—39 Broadway, New York City. **Underwriter**—Kuhn, Loeb & Co., New York City. **Offering**—Expected in late May.

American Missiltronics, Inc.
May 10, 1961 it was reported that this corporation is planning to register shortly 125,000 shares of common stock. **Price**—$4 per share. **Business**—The issuing firm is a holding company for Jersey Packing Co. and a closed-circuit television camera manufacturer. **Proceeds**—For general corporate purposes, including the production of the TV camera. **Offices**—136 Orange St. and 49 Edison Place, both in Newark, N. J. **Underwriter**—T. M. Kirsch & Co., New York City.

★ Automatic Canteen Co. of America
May 17, 1961 it was reported that this company plans to offer stockholders the right to subscribe to about $20,000,000 of convertible subordinated debentures on the basis of $100 principal amount of debentures for each 32 common shares held of record about June 30. **Office**—222 Merchandise Mart Plaza, Chicago, Ill. **Underwriter** — To be named. The last rights offering to stockholders was underwritten by Hornblower & Weeks, New York City and associates.

★ Baltimore Gas & Electric Co. (6/14)
May 15, 1961, F. E. Rugemer, Treasurer, stated that the company plans to issue $20,000,000 of non-convertible debentures in June. **Office** — Lexington and Liberty Streets, Baltimore 3, Md. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co. and First Boston Corp. (jointly); Harriman Ripley & Co., Inc. and Alex. Brown & Sons (jointly). **Bids** — To be received on June 14.

★ Baltimore Gas & Electric Co.
May 15, 1961 it was reported that this company plans to issue about $20,000,000 of first mortgage bonds in late 1961 or early 1962. **Office** — Lexington and Liberty Streets, Baltimore 3, Md. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co., and First Boston Corp. (jointly); Harriman Ripley & Co., Inc., and Alex. Brown & Sons (jointly).

Brockton Edison Co.
May 3, 1961 it was reported that this subsidiary of Eastern Utilities Associates is considering the refinancing of its $3,000,000 outstanding preferred with $4,000,000 of a lower dividend issue. **Office**—36 Main Street, Brockton, Mass. **Underwriters**—To be determined by competitive bidding. Probable bidders: Kidder, Peabody & Co.; Kuhn, Loeb & Co., and Stone & Webster Securities Corp.

★ Canada Dry Corp.
May 16, 1961 it was reported that this company plans to offer stockholders the right to subscribe to an undisclosed amount of debentures. An SEC registration statement is expected to be filed in June and the anticipated record date for those entitled to subscribe is July 11. **Business**—The manufacture and distribution of carbonated and alcoholic beverages, extracts and syrups in the U. S. and Canada. **Office** — 100 Park Ave., New York City. **Underwriter**—To be named. The last rights offering (of common stock) on Aug. 25, 1958 was underwritten by Eastman Dillon, Union Securities & Co., Hornblower & Weeks, and Winslow Cohu & Stetson, all of New York City.

Carbonic Equipment Corp.
Dec. 8, 1960 it was reported that a full filing of about $300,000 of units, consisting of common stock, bonds and warrants will be made. **Proceeds**—For expansion of the business. **Office**—97-02 Jamaica Ave., Woodhaven, N. Y. **Underwriter**—R. F. Dowd & Co., Inc.

Caxton House Corp.
Jan. 24, 1960 it was reported that a full filing of this company's stock, constituting its first public offering, will be made. **Price**—Approximately $3 per share. **Business**—Book publishing. **Office**—9 Rockefeller Plaza, New York City. **Underwriter**—To be named.

Central Louisiana Electric Co., Inc.
Feb. 21, 1961 it was reported that the company is considering the issuance of $6,000,000 of bonds or debentures in the latter part of 1961. **Office** — 415 Main St., Pineville, La. **Underwriters**—To be named. The last issue of bonds on April 21, 1959 was bid on by Kidder, Peabody & Co. and Rauscher, Pierce & Co., Inc. (jointly); Salomon Bros. & Hutzler, and Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Halsey, Stuart & Co., Inc.; White, Weld & Co.

Colorado Interstate Gas Co.
Oct. 17, 1960 it was reported by Mr. A. N. Porter of the company's treasury department that the company is awaiting a hearing before the full FPC with reference to approval of its application for expansion of its system, which will require about $70,000,000 of debt financing which is expected in the latter part of 1961. **Proceeds**—For expansion. **Office**—P. O. Box 1087, Colorado Springs, Colo.

Columbia Gas System, Inc.
April 24, 1961 it was reported that this company is considering the sale of either $20,000,000 of debentures, or $25,000,000 of common stock in the fall. **Office**—120 East 41st Street, New York 17, N. Y. **Underwriters**—To be determined by competitive bidding. Probable bidders on the debentures: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc., and White, Weld & Co. (jointly). The last sale of common stock on May 4, 1960 was handled by a group headed by Merrill Lynch, Pierce, Fenner & Smith Inc.; Shields & Co.; R. W. Pressprich & Co., and Carl M. Loeb, Rhoades & Co.

Columbus & Southern Ohio Electric Co.
March 13, 1961 it was reported the company will sell about $10,000,000 additional common stock in late 1961. **Proceeds**—For expansion purposes. **Office**—215 N. Front St., Columbus 15, Ohio. **Underwriter**—Dillon, Read & Co

Commonwealth Edison Co.
Jan. 10, 1961 it was reported that this company plans to sell $30,000,000 of bonds in the second quarter of 1961. **Office**—72 W. Adams Street, Chicago, Ill. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Kidder, Peabody & Co.; White, Weld & Co.; Blyth & Co., Inc.; Merrill Lynch, Pierce, Fenner & Smith, Inc.

★ **Consolidated Edison Co. of New York, Inc.**
May 16, 1961, H. C. Forbes, chairman, stated that the company must issue almost $100,000,000 of securities in late 1961 and early 1962. He added that if the company decides to issue any of the 1,000,000 shares of cumulative preference stock approved by shareholders at the May 15 annual meeting, it will be on the basis of convertibility into common with subscription rights to common shareholders. **Office**—4 Irving Place, New York City. **Underwriter**—To be named. The last rights offering to stockholders (of debentures) on Jan. 28, 1959 was underwritten by Morgan Stanley & Co., and First Boston Corp., both of New York City. The last sale of bonds on Nov. 23, 1960 was handled by First Boston Corp., and Halsey, Stuart & Co., Inc. (jointly). Morgan Stanley & Co., also bid competitively on this issue.

Consumers Power Co.
Feb. 15, 1961 it was reported that this company may sell $20,000,000 of preferred and $30,000,000 of bonds about mid-year. **Office**—212 West Michigan Ave., Jackson, Mich. **Underwriter**—(Bonds) To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co. and Shields & Co. (jointly); Harriman Ripley & Co., and First Boston Corp. (jointly); Morgan Stanley & Co. The last sale of preferred stock, on July 21, 1955, was handled by Morgan Stanley & Co.

Cosmetic Chemicals Corp.
May 10, 1961 it was reported that this firm expects to register 100,000 shares of 1¢ par common stock. **Price**—$4 per share. **Business** — The firm manufactures perfumes, cosmetics, and hair dyes. **Proceeds**—For general corporate purposes. **Office**—5 East 52nd St., New York City. **Underwriter**—Nance-Kieth Corp., 99 Wall St., New York 5, N. Y.

★ **Cosmetically Yours, Inc.**
May 16, 1961 it was reported that this corporation is contemplating a public offering. **Business**—The manufacturing and sale of cosmetics. **Office** — 15 Clinton Street, Yonkers, N. Y. **Underwirter**—P. J. Gruber & Co., Inc., New York City.

Cowles Magazine & Broadcasting, Inc.
May 3, 1961 it was reported that this corporation will issue stock later this year. The firm denied the report. **Business** — Publishing and allied fields. **Office** — 488 Madison Ave., New York City. **Underwriter**—Goldman, Sachs & Co., New York City (managing).

Dallas Airmotive, Inc.
May 10, 1961 it was reported that a registration statement will be filed shortly covering 390,000 shares of this company's common stock, of which 40,000 outstanding shares will be offered for the account of selling stockholders and 350,000 shares for the company. **Price**—About $5.50 per share. **Office**—Dallas, Tex. **Underwriter**—Eppler, Guerin & Turner, Inc., Dallas, Tex.

Dixie Pipeline Co.
April 17, 1961 it was reported that this firm, recently formed by eight major oil companies, plans to build a 1,100 mile liquified petroleum gas pipeline from Texas and Louisiana to Mississippi, Alabama, Georgia and the Carolinas. It is expected that the multi-million dollar pipeline will be financed in part by the sale of bonds and that it will be in operation by late 1961. **Office**—Tulsa, Okla. **Underwriters**—First Boston Corp.; Morgan Stanley & Co.; Carl M. Loeb, Rhoades & Co.

Edo Corp.
March 21, 1961 it was reported that this company plans the issuance and sale of $2,000,000 of bonds. **Business**—The manufacturer of electronic equipment, particularly marine, airborne and underwater devices. **Proceeds**—For expansion. **Office**—1404 111 Street, College Point, N. Y. **Underwriter**—To be named.

★ **Eurofund, Inc.**
On May 17, 1961 the board of directors approved a rights offering of 551,250 shares of the corporation's common stock to stockholders, on the basis of one new share for each two shares held. **Business**—The issuer is a closed-end investment company. **Proceeds**—For investment. **Office**—14 Wall St., New York 5, N. Y. **Subscription Agent**—Bankers Trust Co., New York City. **Underwriters**—Glore, Forgan & Co., Francis I. duPont & Co., and Shearson, Hammill & Co., all of New York City (managing). **Registration**—Imminent.

Exploit Films, Inc.
March 8, 1961 it was reported that this company plans a full filing covering 100,000 common shares. **Price**—$5 per share. **Proceeds**—For the production of TV and motion picture films, the reduction of indebtedness, and for working capital. **Office**—619 W. 54th Street, New York City. **Underwriter**—McClane & Co., Inc., 26 Broadway, New York City (managing).

• **Fashion Flair Stores, Inc.**
April 27, 1961 it was reported that this company plans shortly a "Reg. A" covering 86,350 shares of common stock. **Price**—$3 per share. **Business**—The discount sale to consumers of women's dresses and sportswear. **Proceeds**—For general corporate purposes. **Office**—53 West 36th St., New York City. **Underwriters**—Ronwin Securities Corp., Staten Island, N. Y., and Security Options Corp., New York City.

First National Bank of San Jose
May 8, 1961 it was reported that this bank is offering stockholders the right to subscribe to 70,400 shares (par $5) on the basis of one share for each 6¼ shares held of record May 2, with rights to expire May 24. **Price**—$32 per share. **Proceeds**—To increase capital. **Office**—One So. First St., San Jose, Calif. **Underwriters**—Dean Witter & Co., San Francisco (managing); Blyth & Co., Inc., and Merrill Lynch, Pierce, Fenner & Smith Inc., New York City; Irving Lundborg & Co., San Francisco.

First National Bank of Toms River (N. J.)
March 22, 1961 it was reported that stockholders voted on this date to increase the authorized stock to provide for payment of a 66⅔% stock dividend and sale of 20,000 new shares of common (par $5) to stockholders on the basis of one new share for each 20 shares held of record July 17, with rights to expire Aug. 17. **Price**—About $22 per share. **Proceeds**—To increase capital. **Office**—Toms River, N. J. **Underwriter**—None.

Gabriel Co.
April 27, 1961, the company announced plans to form a new subsidiary, Rocket Power, Inc., by merging the present Rocket Power, Talco and Bohanan divisions. In the fall of 1961, stock of the new subsidiary would be offered through subscription rights to Gabriel stockholders and debenture holders with about 20% of the offering going to the public. **Office** — 1148 Euclid Avenue, Cleveland, Ohio. **Underwriters**—To be named. The last financing by the company in September, 1959, was handled by Carl M Loeb, Rhoades & Co., New York City and Prescott, Shepard & Co., Inc., Cleveland.

Gas Service Co.
April 19, 1961, the company reported that on April 18 stockholders voted to authorize a new issue of 150,000 shares of preferred stock (par $100). The company is considering the sale of between $5,000,000 to $7,500,000 of preferred and may issue some bonds at the same time. **Office** — 700 Scarritt Bldg., Kansas City, Mo. **Underwriters**—To be named. The company has never issued preferred stock, but the last sale of common on April 19, 1954 was handled by Kuhn, Loeb & Co., Eastman Dillon, Union Securities & Co., Reynolds & Co., and Allen & Co. The last sale of bonds on July 6, 1958 was made privately through Eastman Dillon, Union Securities & Co., New York City and Stern Brothers & Co., Kansas City, Mo.

General Public Utilities Corp.
March 14, 1961 it was stated in the company's 1960 annual report that the utility expects to sell additional common stock to stockholders in 1962 through subscription rights on the basis of one share for each 20 shares held. Based on the 22,838,454 common shares outstanding on Dec. 31, 1960, the offering will involve a minimum of 1,141,922 additional shares. **Office**—67 Broad St., New York 4, N. Y. **Underwriter**—None.

General Telephone Co. of California
Feb. 1, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp. plans to sell about $20,000,000 of bonds in the first half of 1961. **Office**—2020 Santa Monica Blvd., Santa Monica, Calif. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp. and Equitable Securities Corp. (jointly); White, Weld & Co. and Kidder, Peabody & Co. (jointly); Paine, Webber, Jackson & Curtis, and Stone & Webster Securities Corp.

General Telephone Co. of Florida
Feb. 8, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp., expects to offer about $15,000,000 of bonds in November. **Office** — 610 Morgan St., Tampa, Fla. **Underwriters**—Stone & Webster Securities Corp., and Paine, Webber, Jackson & Curtis, both of New York City.

Georgia Bonded Fibers, Inc.
Sept. 14, 1960 it was reported that registration of 150,000 shares of common stock is expected. **Offices**—Newark, N. J., and Buena Vista, Va. **Underwriter**—Sandkuhl and Company, Newark, N. J., and New York City.

Georgia Power Co. (10/18)
Dec. 29, 1960 this subsidiary of the Southern Co., applied to the Georgia Public Service Commission for permission to issue $15,500,000 of 30-year first mortgage bonds, and $8,000,000 of new preferred stock. **Proceeds**—For construction, plant modernization or refunding of outstanding debt. **Office**—Electric Bldg., Atlanta 3, Ga. **Underwriters** — To be determined by competitive bidding. Previous bidders for bonds included Harriman Ripley & Co., Inc.; Lehman Brothers; Blyth & Co., Inc., Kidder, Peabody & Co., and Shields & Co. (jointly); First Boston Corp.; Morgan Stanley & Co.; Halsey, Stuart & Co. Inc.; Equitable Securities Corp., Eastman Dillon, Union Securities & Co. (jointly). Previous bidders for preferred were First Boston Corp., Lehman Brothers, Morgan Stanley & Co.; Eastman Dillon, Union Securities & Co.; and Equitable Securities Corp. **Bids**—Expected to be received on Oct. 18.

Gluckin (Wm.) & Co., Inc.
April 19, 1961 it was reported that this subsidiary of Essex-Universal Corp., plans to sell about 200,000 common shares. **Business**—Manufactures and sells women's foundation garments. **Underwriter**—To be named.

Gulf Power Co. (12/7)
Jan. 4, 1960 it was reported that this subsidiary of The Southern Co., plans to sell $5,000,000 of 30-year bonds. **Office**—75 North Pace Blvd., Pensacola, Fla. **Underwriter**—To be determined by competitive bidding. Previous bidders included Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Salomon Bros. & Hutzler and Drexel & Co. (jointly); Equitable Securities Corp.; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—Expected to be received on Dec. 7, 1961.

Illinois Terminal RR.
Jan. 16, 1961 it was reported that this company plans the sale later this year of about $8,500,000 of first mortgage bonds. **Office**—710 North Twelfth Blvd., St. Louis, Mo. **Underwriter**—Halsey, Stuart & Co. Inc., Chicago.

Industrial Gauge & Instrument Co.
Oct. 5, 1960 it was reported that 100,000 shares of common stock will be filed. **Proceeds** — Expansion of the business, and for the manufacture of a new product by a subsidiary. **Office**—1947 Broadway, Bronx, N. Y. **Underwriter**—R. F. Dowd & Co. Inc.

International Parts Corp.
April 17, 1961 it was reported that a registration will be filed shortly covering an undisclosed number of outstanding common shares. **Business**—Manufactures automobile equipment and parts. **Office**—Chicago, Ill. **Underwriter**—H. M. Byllesby & Co., Chicago (managing).

Interstate Department Stores, Inc.
April 24, 1961 it was reported that stockholders are to vote May 24 on increasing the authorized common to provide for a 3-for-1 stock split of outstanding shares. The additional shares would be distributed June 23 to holders of record May 29. It was also stated that the company is considering financing to provide additional funds to expand discount store operations. **Office** — 111 Eighth Ave., New York City.

★ **John's Bargain Stores Corp.**
May 17, 1961 it was reported that this company plans to file a registration statement shortly covering an undisclosed number of common shares. **Business**—The operation of a chain of discount stores selling household goods. **Office**—1200 Zerega Ave., Bronx, N. Y. **Underwriter**—To be named.

Kansas Power & Light Co.
March 15, 1961 it was reported that this company is considering the issuance of $10,000,000 to $15,000,000 of bonds in the third or fourth qarter of 1961. **Proceeds**—For construction. **Office**—800 Kansas Ave., Topeka, Kan. **Underwriter**—First Boston Corp., New York City (managing).

Laclede Gas Co.
Nov. 15, 1960 Mr. L. A. Horton, Treasurer, reported that the utility will need to raise $33,000,000 externally for its 1961-65 construction program, but the current feeling is that it will not be necessary to turn to long-term securities until May 1962. **Office** — 1017 Olive St., St. Louis, Mo.

Long Island Lighting Co.
Jan. 25, 1961 it was reported by Fred C. Eggerstedt, Jr., Assistant Vice-President, that the utility contemplates the issuance of $25,000,000 of 30-year first mortgage bonds probably in the second or third quarter of 1961. **Office**—250 Old Country Road, Mineola, N. Y. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp., and Blyth & Co., Inc. (jointly); W. C. Langley & Co. and Smith, Barney & Co. (jointly).

Louisville & Nashville RR (5/25)
April 25, 1961 it was reported that this company plans to sell about $5,300,000 of equipment trust certificates. **Office**—71 Broadway, New York City. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Brothers & Hutzler. **Bids**—To be received on May 25 at noon (DST).

Macrose Industries
May 2, 1961 it was reported that this company, formerly named Macrose Lumber & Trim Co., Inc., plans a full filing of about 500,000 common shares (par $1). **Business**—The company owns a chain of lumber yards on Long Island. **Office**—2060 Jericho Turnpike, New Hyde Park, L. I., N. Y. **Underwriter**—Edwards & Hanly, Hempstead, N. Y. **Offering**—Expected in July.

Masters Inc.
Jan. 6, 1961 it was reported that this corporation is contemplating its first public financing. **Business**—The operation of a chain of discount houses. **Office**—135-21 38th Avenue, Flushing 54, L. I., N. Y.

McCulloch Corp.
Jan. 9, 1961 it was reported that this corporation will schedule its initial public financing for late 1961 or some time in 1962. **Business**—The corporation manufactures Scott outboard motors and McCulloch chain saws. **Office**—6101 West Century Boulevard, Los Angeles 45, Calif.

Metropolitan Edison Co.
Feb. 1, 1961 it was reported that this subsidiary of General Public Utilities Corp., plans to sell about $10,000,000 of first mortgage bonds and $5,000,000 of debentures in August or September. **Office** — 2800 Pottsville Pike, Muhlenberg Township, Berks County, Pa. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; Kidder, Peabody & Co. and Drexel & Co. (jointly); Blyth & Co., Inc.

Metropolitan Food Co.
April 12, 1961 it was reported that this company plans to sell 100,000 common shares. **Price** — $5 per share. **Business** — Food distribution. **Proceeds** — For working capital. **Office** — 45-10 Second Ave., Brooklyn, N. Y. **Underwriters**—Brand, Grumet & Siegel, and Kesselman & Co., Inc., New York City (managing).

Mississippi Power Co. (9/28)
Jan. 4, 1961 it was reported that this subsidiary of The Southern Co., plans to sell publicly $5,000,000 of 30-year bonds and $5,000,000 of preferred stock (par $100). **Proceeds**—For construction and expansion. **Office**—2500 14th St., Gulfport, Miss. **Underwriter**—To be determined by competitive bidding. Previous bidders for

Continued on page 46

Continued from page 45

bonds were Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly); Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc. Previous bidders for preferred stock included Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly). **Bids**—Expected to be received on Sept. 28.

Missouri Utilities Co.
April 11, 1961 it was reported that this company plans to sell about 50,000 additional common shares to stockholders in September or October on a 1-for-10 rights basis. **Office**—400 Broadway, Cape Girardeau, Mo. **Underwriter**—To be named. The last five rights offerings to stockholders were underwritten by Edward D. Jones & Co., St. Louis.

Mite Corp.
April 27, 1961 it was reported that this company, recently formed through a merger of Teleprinter Co., and Grist Manufacturing Co., plans to sell about 400,000 shares of common stock to raise approximately $5,000,000. **Office**—446 Blake St., New Haven, Conn.. **Underwriter**—Charles W. Scranton & Co., New Haven.

Modern Home Construction Co.
April 18, 1961 it was reported that this company is considering a public offering of securities, but the details have not yet been decided upon. **Office**—Valdosta, Ga. **Underwriter**—Harriman Ripley & Co., New York City.

Monterey Gas Transmission Co.
April 24, 1961 it was reported that Humble Oil & Refining Co., a subsidiary of Standard Oil Co. of New Jersey, and Lehman Brothers, had formed this new company to transport natural gas from southwest Texas to Alexandria, La., for sale to United Fuel Gas Co., principal supplier to other Columbia Gas System companies. It is expected that the pipeline will be financed in part by public sale of bonds. **Underwriter** — Lehman Brothers, New York City (managing).

National Airlines, Inc.
May 8, 1961, it was reported that the CAB had approved the company's plan to sell publicly 400,000 shares of Pan American World Airway's Inc., subject to final approval of the Board and the SEC. The stock was originally obtained under a Sept. 9, 1958 agreement under which the two carriers agreed to a share-for-share exchange of 400,000 shares and the lease of each others jet planes during thier respective busiest seasons. The CAB later disapproved this plan and ordered the airlines to divest themselves of the stock. **Price** — About $20 per share. **Proceeds**—To repay a $4,500,000 demand loan, and other corporate purposes. **Office**—Miami International Airport, Miami 59, Fla. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., New York City (managing).

National Hospital Supply Co., Inc.
May 1, 1961 it was reported that a "Reg. A" will be filed shortly covering 100,000 shares of common stock. **Price**—$3 per share. **Business**—The distribution of medical equipment. **Office**—38 Park Row, New York City. **Underwriter** — Edward Lewis Co. Inc., New York City (managing).

National Semi-Conductor Co.
April 18, 1961 it was reported that this company plans to file a registration statement shortly covering an undisclosed number of common shares. **Office**—Danbury, Conn. **Underwriters**—Lee Higginson Corp., New York City and Piper, Jaffray & Hopwood, Minneapolis, Minn.

Northern Illinois Gas Co. (6/22)
March 22, 1961 it was reported that this company plans to sell about $20,000,000 of common stock through a rights offering to stockholders of record June 22. Rights would expire July 11. **Office**—50 Fox St., Aurora, Ill. **Underwriters**—To be named. The last rights offering in April, 1954, was underwritten by First Boston Corp., and Glore, Forgan & Co., both of New York City.

Northern Natural Gas Co.
March 15, 1961, the company reported that it expects to raise about $80,000,000 of new money in 1961. Present plans are for issuance of about $30,000,000 of debentures by mid-year and an additional $30,000,000 to $35,000,000 of debentures by year-end. It is also expected that some $12,000,000 to $15,000,000 of common stock will be sold to stockholders through subscription rights in September or October. **Proceeds**—For construction. **Office**—2223 Dodge St., Omaha 1, Neb. **Underwriter** — Blyth & Co., New York City (managing).

Northern States Power Co. (8/8)
Jan. 10, 1961 it was reported that this company plans to sell $20,000,000 of bonds in the third quarter of 1961. Offices—15 So. La Salle Street, Chicago 4, Ill.; 15 So. Fifth Street, Minneapolis 2, Minn.; 111 Broadway, New York 6, N. Y. Underwriters — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith, Inc.; Kidder, Peabody & Co., and White, Weld & Co. (jointly); First Boston Corp. and Blyth & Co., Inc. (jointly). Bids—Expected to be received on Aug. 8.

Pacific Gas & Electric Co.
March 28, 1961 it was reported that this company plans to offer additional common stock to stockholders on the basis of one share for each 20 shares held. Based on the 17,929,305 shares outstanding on Dec. 31, 1961 this would amount to about 896,465 common shares. Office—245 Market Street, San Francisco 6, Calif. Underwriter—To be named. The last rights offering on June 17, 1958 was underwritten by Blyth & Co., Inc., New York City.

● Pacific Telephone & Telegraph Co.
March 24, 1961 stockholders of this A. T. & T. subsidiary approved a plan to form a new company to be known as the Pacific Northwest Bell Telephone Co. The new comcern will acquire the business and properties of the Pacific Telephone-Northwest division which operates in Washington, Oregon, and Idaho. All of the stock of the new company will be owned by Pacific Telephone but "as soon as practicable" it will be offered for sale to Pacific Telephone stockholders at a price to be fixed by the Board of Directors. About 6-9 months after the stock sale, Pacific Northwest will sell debentures publicly to repay a portion of its debt. **Office**—140 New Montgomery St., San Francisco, Calif. **Underwriter**—The last offering of common stock to shareholders on Feb. 25, 1960 was not underwritten. However, A. T. & T., which owns over 90% of the outstanding shares, exercised its rights to subscribe to its pro rata share of the offering. The last sale of debentures by Pacific Telephone on Feb. 17, 1960 was underwritten by Halsey Stuart & Co., Inc. The one other competitive bid on issue was made by Morgan Stanley & Co.

Packer's Super Markets, Inc.
May 10, 1961 it was reported that this company plans to file a registration statement covering about 100,000 shares of common stock. **Business**—The operation of a chain of supermarkets. **Office**—7420 3rd Ave., Brooklyn, N. Y. **Underwriter**—Milton D. Blauner & Co., Inc., New York City.

Pan American World Airways, Inc.
May 8, 1961 it was reported that the CAB ordered this company to sell its 400,000 share holdings of National Airlines, Inc., and to file a plan of sale with the board within 30 days. The stock was originally obtained under a Sept. 9, 1958 agreement under which the two carriers agreed to a share-for-share exchange of 400,000 shares and the lease of each other's jet planes during their respective busiest seasons. The CAB later disapproved this plan and ordered the airlines to divest themselves of the stock. **Office**—135 East 42nd St., New York City. **Underwriter**—To be named.

Panhandle Eastern Pipe Line Co.
March 8, 1961 it was reported that this company expects to sell about $72,000,000 of debentures in September, subject to FPC approval of its construction program. **Office**—120 Broadway, New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder Peabody & Co., both of New York City (managing).

Public Service Co. of Colorado
Dec. 2, 1960, W. D. Virtue, treasurer, stated that company plans the sale of about $20,000,000 of common stock to be offered stockholders through subscription rights in mid-1961. **Proceeds**—For expansion. **Office**—900 15th St., Denver, Colo. **Underwriter** — Last equity financing handled on a negotiated basis by First Boston Corp.

Public Service Electric & Gas Co. (6/6)
March 22, 1961 it was reported that this company plans to sell about 900,000 shares of common stock, subject to the approval of the New Jersey Public Service Commission. **Proceeds** — For construction. **Office** — 80 Park Place, Newark, N. J. **Underwriter** — Merrill Lynch, Pierce, Fenner & Smith Inc., New York City (managing).

Rochester Gas & Electric Corp. (9/27)
Jan. 24, 1961 the company stated it plans to issue about $15,000,000 of 30-year bonds in September. **Proceeds**—For construction. **Underwriter** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co., White, Weld & Co. and Shields & Co. (jointly); Kuhn, Loeb & Co.; Salomon Bros. & Hutzler, Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly); Blyth & Co., Inc.; The First Boston Corp. **Bids**—To be received about Sept. 27.

Rowan Controller Co.
May 10, 1961 it was reported that this company is planning to sell 50,000 additional common shares. **Office**—2313 Homewood Ave., Baltimore, Md. **Underwriter**—Stein Bros. & Boyce, Baltimore.

★ Sel-rex Corp.
May 16, 1961 it was reported that this firm is contemplating its first public financing. **Business** — Precious metals manufacturing. **Office**—75 River Road, Nutley, N. J. **Underwriter**—To be named.

★ Sterile Medical Products, Inc.
May 15, 1961 it was reported that this firm plans to file 120,000 shares of 10c par common stock. **Price**—$2.50 per share. **Proceeds** — For general corporate purposes. **Office** — 434 Buckelew Ave., Jamesburg, N. J. **Underwriter** — Louis R. Dreyling & Co., Inc., 25 Livingston Ave., New Brunswick, N. J. **Offering**—Expected in July or August.

Tampa Electric Co.
May 10, 1961 it was reported that this company plans to spend over $80,000,000 on new construction in the next three years. No financing is planned this year but in 1962 the company may issue bonds or common stock. **Office**—111 No. Dale Mabry Hwy., Tampa, Fla. **Underwriters**—To be named. The last sale of bonds on June 29, 1960 was handled by Halsey, Stuart & Co. Inc., New York City. Other competitive bidders were Merrill Lynch, Pierce, Fenner & Smith Inc.; Goldman, Sachs & Co.; Stone & Webster Securities Corp. The last sale of common stock on Feb. 13, 1960 was made through Stone & Webster Securities Corp.

Tennessee Bank & Trust Co.
May 10, 1961 it was reported that stockholders have voted to increase authorized capital stock to provide for sale of about 330,000 $5 par shares to stockholders on the basis of 33 new shares for each 7 shares held of record May 12, with rights to expire May 26. **Price**—$15 per share. **Proceeds**—To increase capital. **Office**—Houston, Tex. **Underwriter**—First Southwest Co., Dallas, Tex. **Note**—This bank formerly was named Merchants State Bank.

Texas Eastern Transmission Corp.
April 26, 1961 it was stated in the 1960 annual report that this company expects to sell about $85,000,000 of new securities in 1961. Approximately $45,000,000 of this amount was raised on Jan. 17, 1961 through the sale of $30,000,000 of first mortgage bonds and 150,000 shares of 5.52% preferred stock, leaving a balance of $40,000,000 to be obtained later in the year. **Office**—Texas Eastern Bldg., Houston, Tex. **Underwriters**—To be named. The last sale of securities was handled by a group headed by Dillon, Read & Co. Inc., First Boston Corp., and Kuhn, Loeb & Co.

Texas Gas Transmission Corp.
Jan. 11, 1961 it was reported that this company plans to sell $10,000,000 to $15,000,000 of bonds in the third quarter of 1961. Office—416 West Third Street, Owensboro, Ky. Underwriter—Dillon, Read & Co., New York City.

Thompson Ramo Wooldridge, Inc.
May 10, 1961 it was reported that the company is considering the issuance of $25,000,000 of non-convertible debentures. **Business**—The manufacture and sale of parts and appliances for automobiles, trucks, buses, and aircraft. **Office**—23555 Euclid Ave., Cleveland, Ohio and 8433 Fallbrook Ave., Canoga Park, Calif. **Underwriter**—To be named. The last sale of debentures on Aug. 13, 1957 was made to stockholders through subscription rights, and was handled by Smith, Barney & Co., New York City and McDonald & Co., Cleveland, Ohio.

Thorough-Bred Enterprises, Inc.
March 16, 1961 it was reported that this company plans to sell 85,000 shares of common stock (par 10 cents). Price — $4 per share. **Business** — Operates a breeding farm for thoroughbred horses. **Proceeds**—For building a barn, purchasing land and acquiring additional horses. **Office**—Biscayne Boulevard, Miami, Fla. **Underwriter**—Sandkuhl Company, Inc., Newark, N. J., and New York City.

Trunkline Gas Co.
March 8, 1961 it was reported that this subsidiary of Panhandle Eastern Pipe Line Co., expects to sell about $50,000,000 of bonds or preferred stock in September. **Office**—120 Broadway, New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder, Peabody & Co., both of New York City (managing).

Universal Publishing & Distributing Corp.
May 10, 1961 it was reported that this company is considering the issuance of common stock. **Business**—Magazine publishing. **Office**—117 E. 31st Street, New York City. **Underwriter**—Allen & Co., New York City.

★ Valley Title & Trust Co.
May 15, 1961 it was reported that this company plans to register 120,000 shares of 10c par common stock. **Price**—$5 per share. **Proceeds**—For general corporate purposes. **Office**—1001 North Central Ave., Phoenix, Ariz. **Underwriter** — Louis R. Dreyling & Co., Inc., 25 Livingston Ave., New Brunswick, N. J. **Offering**—Expected by August or September.

Vinco Corp.
Feb. 20, 1961 it was reported that this company plans to sell $2,000,000 of convertible bonds. Business—The manufacture of precision parts and subassemblies for aircraft, missile and other industries. The company also produces guages and measuring instruments. **Proceeds**—For expansion and acquisition. **Office** — 9111 Schaefer Highway, Detroit, Mich. **Underwriter**—S. D. Fuller & Co., New York City.

Virginia Electric & Power Co. (12/5)
March 23, 1961, the company announced plans to sell $15,000,000 of securities, possibly bonds or debentures. **Office** — Richmond 9, Va. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; Eastman Dillon, Union Securities & Co.; Salomon Brothers & Hutzler; Goldman, Sachs & Co. **Bids**—To be received on Dec. 5, 1961.

Walter (Jim) Corp.
April 17, 1961 it was reported that this company plans to sell a minimum of $20,000,000 of debentures. **Business**—The company constructs shell homes, provides credit life insurance on home mortgages and operates a chain of small loan companies. **Office**—1500 North Dale Mabry Highway, Tampa, Fla. **Underwriters**—To be named.

West Coast Telephone Co.
April 11, 1961 it was stated in the 1960 annual report that the company plans to spend $12,000,000 for new construction in 1961, most of which is expected to be raised by the sale of securities. **Office**—1714 California St., Everett, Wash. **Underwriter**—To be named. The last sale of bonds and preferred stock in May and July 1960 was done privately. The last sale of common on Sept. 16, 1960 was underwritten by Blyth & Co., Inc., New York City.

Western Union Telegraph Co.
Feb. 28, 1961 it was reported that the FCC has approved the company's plan to transfer its Atlantic cable system to a newly organized company, Western Union International, Inc. The plan provides for the issuance by Western Union International of about $4,000,000 of subordinated debentures and 400,000 shares of class A stock to be offered to stockholders of Western Union Telegraph Co. in units of $100 of debentures and 10 shares of stock. In addition, American Securities Corp., New York City, would purchase from Western Union International about 133,000 additional shares of class A stock giving American Securities ownership of approximately 25% of the outstanding class A stock of WUI. Then Western Union Telegraph woud purchase 250,000 shares of class B stock for $100,000 and WUI would sell $4,500,000 of debentures or bonds. **Office** — 60 Hudson Street, New York City. **Underwriter**—American Securities Corp. (managing).

P. A. Names Exec. Dir.

Manuel Sanchez Rivera has been named Executive Director of the Puerto Rico Ports Authority to succeed Rafael Durand Manzanal, who has been appointed Administrator of the Economic Development Administration of the Commonwealth of Puerto Rico.


Manuel S. Rivera

Mr. Rivera, who has been with the Ports Authority since 1957, was formerly Chief of the Public Corporation Financing Division of the Government Development Bank for Puerto Rico and Director of the Fiscal Agency Department for the Bank. He has also held various positions in private enterprise such as Chief of the main office of the Shell Co., West Indies Ltd., in San Juan; Traffic Vice-President and member of the board of directors of Caribbean Atlantic Airlines, and General Manager of India Brewery in Mayaguez, Puerto Rico. He is a graduate of the University of Pennsylvania.

Western Shell Stock Offered

Public offering of 120,000 shares of Western Shell Homes Corp. common stock at a price of $2.50 per share is being made today (May 18) by Joseph Nadler & Co. Inc. The offering marks the initial public sale of the company's common stock.

The company intends to use the net proceeds from the financing for the purchase of new machinery and materials; increase of volume purchases of inventories; reduction of notes, and for pilot financing operation of a subsidiary. The balance of the proceeds will be added to working capital and used for general corporate purposes.

Western Shell Homes Corp. conducts its business through two divisions. The Western Homes Division designs, manufactures and ships complete prefabricated homes in varying sizes and price ranges for erection in seven western states. Each of the division's four assembly lines has a capacity to produce one three-bedroom home every six hours. Approximately 440 units were manufactured and sold during 1960. All homes are manufactured on the basis of orders received and scheduled in advance, so there is no finished home inventory. The division also makes prefabricated structural parts and components for other buildings, including medical and professional clinics, motels, retirement homes, vacation homes and commercial structures.

The company's American Lumber Co. Division is engaged in the distribution of plywood, hardware, appliances, aluminum windows and a wide variety of other building materials to industrial users, contractors and the general public.

For the fiscal year ended Dec. 31, 1960, the corporation had gross sales of $1,867,894 and net income of $28,628. Upon completion of current financing, outstanding capitalization of the company will consist of 275,100 shares of common stock.

With Calif. Investors

LOS ANGELES, Calif. — Edward S. Welge has been added to the staff of California Investors, 3932 Wilshire Boulevard, members of the Pacific Coast Stock Exchange.

Duplex Vending Common Offered

Godfrey, Hamilton, Magnus & Co. Inc. is offering publicly 160,000 shares of the 10c par common stock of Duplex Vending Corp. at $3 per share.

Duplex Vending, from the date it commenced operations in early 1959, was primarily an exclusive distributor of the Duplex 20-lb. capacity, coin-operated commercial washer in New England and New York state. The company also distributed the Duplex giant dryers, hot water heaters and tanks, extractors and sundry types of vending equipment used in coin-operated launderettes. The company is also engaged in the business of selling services for planning, opening, operating and servicing of coin-operated launderettes.

Commencing April 1, 1961, the company entered into an agreement with International to be the exclusive distributor of the Duplex 20-lb. capacity commercial washer, a new Duplex coin-operated dry cleaning machine and a new Duplex 12-lb. capacity coin-operated commercial washer in 38 states and the Caribbean Islands, with the right to select others to act as direct distributors in designated areas on the same basis as the company.

The company's present plans are to expand its direct distribution of the Duplex product lines to include, besides New England and New York, the states of New Jersey, Pennsylvania, Maryland, Delaware and the District of Columbia; and in the remaining 27 states (east of the Rockies), the company plans to franchise existing and new distributors to sell the Duplex product lines.

The company was incorporated in New York on Nov. 25, 1958, under the name Duplex Laundry Equipment Co. Inc. Its present name was adopted on March 6, 1961. Principal offices are maintained at 641 Bergen Street, Brooklyn, N. Y.

Businessman's BOOKSHELF

Alliance for Progress—Reprint of an Address by President John F. Kennedy — Department of State Publication No. 7164 — Office of Public Services, Bureau of Public Affairs, Washington 25, D. C. (paper).

Australian Conditions — Monthly Summary — National Bank of Australasia Limited, 271-279 Collins Street, Melbourne, Australia (paper).

Cambridge Books: Spring 1961 Catalogue of Publications—Cambridge University Press, 32 East 57th Street, New York 22, N. Y. (paper), on request.

Community Fact Survey of St. Louis Park, Minn. — Northern States Power Company, Industrial Development Department — City of St. Louis Park, 2925 West 37th Street, St. Louis Park 16, Minn. (paper).

Cost Reduction Guide for Manufacturing Management — E. E. Wyatt and H. Clifton Morse—Hitchcock Publishing Company Wheaton, Ill., $18.

Cuba—Department of State Publication 7171 — Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 20¢.

Engineering and Technical Conventions 1961—Advance listing of engineering and technical meetings and conferences in U. S.—Deutsch & Shea, Inc., 230 West 41st Street, New York 36, N. Y., $4 (quantity prices on request).

Facts and Figures About Air Transportation — 22nd Edition — Air Transport Association of America, 1000 Connecticut Avenue, N. W., Washington 6, D. C. (paper).

Federal Deposit Insurance Corporation—Report to Insured Banks as of Dec. 31, 1960 — Federal Deposit Insurance Corporation, Washington, D. C. (paper).

France: A Geographic and Economic Profile—Press and Information Service, French Embassy, 972 Fifth Avenue, New York, N. Y.

Freeman — April 1961, containing articles on Individual Responsibility, Collapse of Communist Economic Theory, Hard Core of the Farm Program; Fraud of the Welfare State, etc. — Foundation for Economic Education, Inc., Irvington-on-Hudson, N. Y. (paper), 50¢.

Government Expenditures for Construction, Operation, and Maintenance of Transport Facilities by Air Highway, and Waterway and Private Expenditures for Construction, Maintenance of Way and Taxes on Railroad Facilities —Bureau of Railway Economics, Association of American Railroads, Washington, D. C. (paper).

Guide for Security Analysis—Method of Evaluating Securities Without Outside Help — Arnhold Bernhard & Co., Inc., Dept. CFC-100L, 5 East 44th Street, New York 17, N. Y. (on request).

How to Lick Executive Stress and Stay in Top Emotional and Physical Trim—Dr. Robert Collier Page —Prentice Hall Inc., Englewood Cliffs, N. J., $17.50.

Import Liberalization and Employment—Walter S. Salant and Beatrice N. Vaccara—The Brookings Institution, 1775 Massachusetts Avenue, N. W., Washington 6, D. C. (cloth), $6.75.

India — Economic survey — Information Service of India, Embassy of India, 2107 Massachusetts Avenue, N. W., Washington 8, D. C. (paper).

India and the West: Pattern for a Common Policy—Barbara Ward —W. W. Norton & Company, Inc., New York, N. Y. (cloth), $4.50.

International Executive — Winter Edition containing articles on Organizing International Business from a New Point of View; Foreign Licensing as an Export Alternative; Investment and Development Possibilities in Tropical Africa, etc.—Foundation for the Advancement of International Business Administration, Inc., Box 104 Riverdale Station, New York 71, N. Y., $15 per year (U. S. and Canada); foreign rates on request.

Money in Motion: A Graphic Portrayal of the Nature of Money and the American Monetary System — Arthur Dahlberg — John de Graff, Inc., 31 East 10th Street, New York 3, N. Y. (cloth), $5.95.

Organization for Economic Cooperation and Development — Questions and answers on the OECD—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 15 cents.

Outline of Bond Market in Japan, 1960—Securities Department, Industrial bank of Japan, Ltd., 8, 1-chome, Marunouchi, Chiyoda-ku, Tokyo, Japan (paper).

Review of Metal Literature, 1960 —Edited by Marjorie R. Hyslop—American Society for Metals, Metals Park, Ohio, $25.

Schedule of Par Values, 31st issue — International Monetary Fund, Washington, D. C. (paper).

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS FROM THE NATION'S CAPITAL

WASHINGTON, D. C. — As President Kennedy was in Ottawa addressing the Canadian Parliament, he could look back on Capitol Hill with some satisfaction.

His own legislative program, with about two-thirds of the first session history, was neither a complete success nor a failure. Overall, he has done very well considering substantial delays in getting Congress organized.

The bitterest fight of the session came early in the House, where Speaker Sam Rayburn stacked the Rules Committee. Thus, it is no longer accurate and appropriate to describe this panel as the "powerful House Rules Committee." A member of this committee is now a member of the "once powerful Rules Committee."

A tabulation by the *Congressional Quarterly* several days ago showed that Congress had approved 29 of 277 legislative proposals that Mr. Kennedy had requested. This was about 10%.

The facts are President Kennedy has done a little better than President Eisenhower did, but under the rule of politics, Mr. Kennedy should have the edge. President Kennedy has had a Democratic Congress in control of all the legislative machinery.

Some major measures are yet to come up for floor consideration. And there will be some hard-hitting debate that will mark some of the bills, such as foreign assistance or mutual security or whatever preference one prefers to describe it.

Measures Approved

Among the important measures passed by both Houses and sent to the White House are: A plan to reduce the acreage of feed grain plantings through added payments to farmers who took acreage out of production; extension of unemployment pay an additional 13 weeks to jobless whose benefits have expired, in what was described as a billion-dollar program.

Increase the minimum wage from $1 to $1.25 an hour over a two-year period and broaden the coverage to take in an additional 3,600,000 workers; provide aid to urban and rural areas of chronic unemployment in the amount of $394,000,000.

A program to help dependent children of unemployed workers at an estimated cost of $200,000,000, and passage of a bill creating 73 new Federal judgeships.

The Federal judgeship bill, creating 73 new positions plus 19 vacancies to be filled, means that President Kennedy will appoint more judges the first year he has been in office than any President in history.

President Eisenhower was in office four years before he made as many appointments, and so was President Truman, and the same is probably true of President Franklin D. Roosevelt.

"Blue Ribbon" Patronage

Federal judgeships, by the way, are regarded as the "blue ribbon" patronage of the Administration in power. Perhaps most of the new judgeships are necessary to help break the log jam of court cases that have piled up in some areas.

Some states that will lose a Congressman will gain a Federal judge. A number of states will lose one or more House seats under the reapportionment that will take place because those states failed to chalk up a national average in the population growth during the 1950-60 decade.

A Federal judgeship is a lifetime job. Many attorneys in every section of the country have ambitions to be named to the position. A district judgeship carries an annual salary of $22,500, and a jurist on the Court of Appeals receives $25,000 a year.

But, back to Congress and the final months of the first session. Some important measures are in the works, such as Federal aid to education, social security, medical aid to the aged, housing, and a farm bill.

These measures alone will affect nearly every man, woman and child in the country.

The series of proposals pending in connection with welfare legislation would affect many people. Some of them will go over to 1962, an election year, when traditionally most welfare legislation becomes law.

New Housing Legislation Expected

It is almost certain Congress will pass new housing legislation. Hearings have been held on numerous different housing proposals. One of these would temporarily broaden coverage of FHA-insured, no-downpayment, 40-year mortgages to any family. Another would amend the FHA system of mortgage financing to make no-downpayment, 40-year mortgages more attractive to private investors.

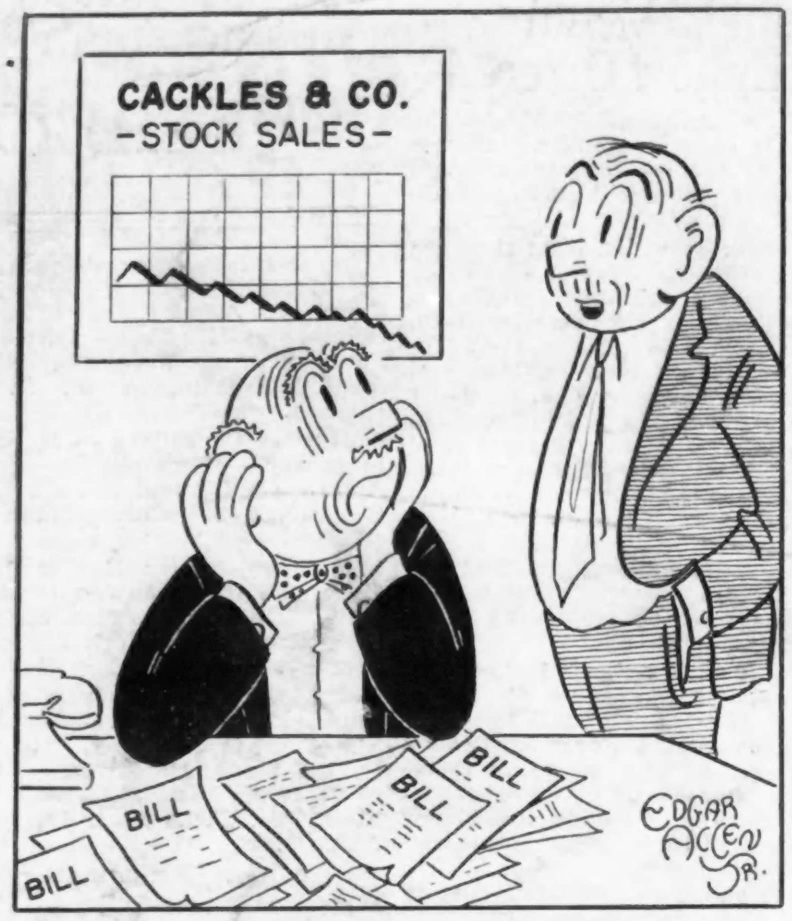
Both House and Senate committees have conducted hearings that would authorize $2.5 billion over a four-year period for urban renewal. Hearings likewise have been held on a series of housing proposals that would affect the increasing number of elderly persons in the United States. These would increase the direct loan authorization for housing for the elderly from $50,000,000 to $100,000,000; increase by $500 per room the cost limitation on housing for the elderly, and authorize payment of an additional subsidy of up to $10 per month for each housing unit occupied by the elderly.

The Administration's tax revision program ran into a heap of criticism. This program calls for higher taxes on income earned abroad, repeal of the 4% credit and $50 exclusion on dividend income; tighter rules on business expense account deductions, and elimination of capital gains treatment on earnings from the sale of depreciable assets.

Shareholders on the Spot

It is absolutely certain that Congress will approve, in more or less a perfunctory manner, the extension of the 52% corporation excise tax, and continue the same rate of income taxes. However, the odds appear against repeal this year of the 4% credit and $50 exclusion on dividend income.

A lot, of course, will depend on how constituents feel about it. If shareholders, stock brokers and others fail to make themselves heard through their Congressmen, it will be repealed. So far a number of opponents have made a good case against repeal of these provisions, but shareholders and business people need to express themselves in strong and firm but polite terms.



"Suppose we could get the President to declare THIS place a disaster area?"

The vast Interstate Highway construction program will be able to continue on schedule, it now appears. The other Federal matching programs are not involved because they have always had priority over the Interstate roads, which are multi-laned, divided and are stop-light free.

It now appears Congress will retain the 4 cents a gallon Federal tax on gasoline; increase the tax on diesel fuel from 4 cents to 7 cents a gallon; increase the tax on trucks over 26,000 pounds from $1.50 per 1,000 pounds to $4 to $5 per 1,000 pounds; increase the tax on tires from 8 cents to 10 cents; increase the tax on inner tubes from 9 to 10 cents, and increase the tax on tread rubber from 3 cents to 10 cents.

[This column is intended to reflect the "behind the scene" interpretation from the nation's Capital and may or may not coincide with the "Chronicle's" own views.]

Bernard Lewis Opens

BROOKLYN, N. Y. — Bernard Lewis is conducting a securities business from offices at 220 East 18th Street under the firm name of Bernard Lewis Co.

Trinity Securities Opens

Trinity Securities Corporation has been formed with offices at 40 Exchange Place, New York City, to engage in a securities business. Warren Coleman is President and Treasurer; Henry Hayward, Vice-President; and Patricia Holley, Secretary. Mr. Coleman was formerly Vice-President of Tau Inc.

COMING EVENTS

IN INVESTMENT FIELD

May 19, 1961 (Baltimore, Md.)
Baltimore Security Traders Association 26th annual spring outing at the Country Club of Maryland.

May 19, 1961 (New York, N. Y.)
STANY Glee Club 7th annual dinner dance at the Waldorf-Astoria Hotel.

May 20, 1961 (Miami Beach, Fla.)
Annual Meeting of Florida Council of the National Association of Investment Clubs.

May 21-23, 1961 (San Francisco, Calif.)
California Bankers Association 70th anniversary convention at the Fairmont and Mark Hopkins Hotels.

May 25, 1961 (St. Louis, Mo.)
Security Traders Club of St. Louis outing at Sunset Country Club.

May 26-30, 1961
Bond Club of Virginia outing at Castle Harbour Hotel, Bermuda.

June 2, 1961 (Chicago, Ill.)
Bond Club of Chicago field day at Knollwood Club, Lake Forest, Ill.

June 2, 1961 (Connecticut)
Security Traders Association of Connecticut annual summer outing at Race Brook Country Club, Orange, Conn.

June 2, 1961 (New York City)
Bond Club of New York annual outing at Sleepy Hollow Country Club.

June 2, 1961 (Philadelphia, Pa.)
Philadelphia Securities Association annual outing at Aronimink Golf Club, St. Davids Road, Newtown Square, Pa.

June 7-11 (Ponte Vedra, Fla.)
Southern Group of Investment Bankers Association meeting.

June 8, 1961 (Cedar Rapids, Iowa)
Iowa Investment Bankers Association annual Field Day at the Cedar Rapids Country Club (preceded June 7 by a cocktail party and dinner reception at the Roosevelt Hotel).

June 8, 1961 (New York City)
STANY Bowling League annual dinner at Whyte's, 344 West 57th Street.

June 9, 1961 (Philadelphia, Pa.)
Investment Association of Philadelphia annual outing at the Philadelphia Cricket Club, Flourtown, Pa.

June 9, 1961 (New York City)
Municipal Bond Club of New York annual meeting and outing at the Westchester Country Club, Rye, N. Y.

June 9-11, 1961 (San Francisco, Calif.)
San Francisco Security Traders Association annual Spring Outing at the Sacramento Inn, Sacramento, Calif.

June 14-15, 1961 (Minneapolis-St. Paul, Minn.)
Twin City Bond Club 40th annual outing at the White Bear Yacht Club, White Bear Lake, Minn. June 15; preceded by a cocktail party June 14 at the Nicollet Hotel, Minneapolis.

June 15, 1961 (New York City)
Investment Association of New York annual outing at Sleepy Hollow Country Club.

June 15-16, (Kansas City, Mo.)
Kansas City Security Traders Association summer party—cocktail party June 15 at Hotel Continental; outing June 16 at Meadowbrook Country Club.

June 16, 1961 (New Jersey)
Bond Club of New Jersey spring outing at Upper Montclair Golf & Country Club.

June 17, 1961 (Milwaukee, Wis.)
Milwaukee Bond Club annual outing at Oconomowoc Country Club, Oconomowoc, Wis.

June 17-20, 1961 (California)
California Group of Investment Bankers Association annual conference at Santa Barbara, Calif.

June 22-25, 1961 (Canada)
Investment Dealers Association of Canada annual meeting at Jasper Park Lodge, Jasper, Alta.

June 23, 1961 (Boston)
Women's Municipal Bond Club annual outing at the New Ocean House, Swampscott, Mass.

June 23, 1961 (New York City)
Municipal Bond Women's Club outing at Morris County Golf Club, Convent Station, N. J.

June 24, 1961 (Chicago, Ill.)
Security Traders Association of Chicago annual summer outing at Nordic Hills Country Club.